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THE

M E R C H A N T S ' M A G A Z I N E ,

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AND

COMMERCIAL REVIEW.

VOLUME I.

NEW YORK:
FREEMAN HUNT, EDITOR AND PROPRIETOR,
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HUNT'S MERCHANTS' MAGAZINE.

No. I.

JULY, 1839.

ART. I.—INTRODUCTION.

IN legal phrase, we would prefer being judged by our acts—and in commercial parlance, being credited with our performances—to making promises in advance of our publication. But custom having rendered it necessary, on the appearance of a new work, to accompany it with some indication of the plan upon which it will be conducted, and the objects it is intended to subserve, we comply with the requisition.

In the first place, as an excuse for its appearance at all, we may say, that such a publication as the present is imperiously demanded by the wants and wishes of the commercial part of the community, and we believe that such a work, conducted upon enlarged and liberal principles, is calculated to be eminently useful, and will prove highly acceptable, not only to the Merchant, but to all who feel an interest in promoting information on subjects deeply identified with the wealth, the greatness, and the happiness of our common country. Commerce is not only a business, but a science, extremely intricate in some of its developments, and calculated to elevate the mind, and enlarge the understanding, when pursued upon legitimate principles, and with high and honorable views.

Essentially and practically a trading people, the commerce of the United States has been pushed, by the enterprise of her citizens, to every part of the habitable globe—her ships penetrate every ocean, and her canvas whitens every sea, bringing home the varied productions of every soil and climate, and while rewarding individual enterprise and exertion, adding to the store house of general knowledge, and increasing the prosperity of the country.

The questions which arise in such extended intercourse with the world, are multifarious and diversified. The knowledge and information necessary to guide the adventures to a successful termination, is often complex and difficult of solution; the sources whence it is to be obtained are not always accessible, and operations are often begun in a reckless spirit of speculation, and end, as might have been anticipated, in defeat, simply because

some element necessary to success, or some piece of information essential to the adventure, had, in the ardor of pursuit, been disregarded.

One of our prominent objects will be, to raise and elevate the commercial character — to point out the requisites necessary to form the thorough and accomplished merchant. An expensive education, and a long course of study, is necessary to form the statesman, the physician, or the common lawyer; but every clerk seems to think he can at once assume the practical merchant, and spring, ready armed and equipped, into the active business of life, like Minerva from the head of Jove; forgetful that as pretenders in one case soon sink into oblivion and disgrace, he cannot expect otherwise than loss and discomfiture, if wanting the elementary information necessary to success.

We shall, therefore, from time to time, point out the headlands in the commercial chart, and endeavor to mark the quicksands where oftentimes shipwreck has been made, not only of property, but of probity, and that high sense of honor, wanting which, however abounding in every thing else, a man may assume the name, and be totally deficient in all that forms the high and honorable merchant.

With these views, it will necessarily be inferred that we are the strenuous friends and ardent supporters of the Mercantile Library Associations of this and of our sister cities.

Wherever the minds of the young are to be formed, and an incentive given to those who, after the present busy actors in our crowded marts of commerce are removed, are to occupy their places, they will find us inspiring them in their career, and doing all in our power to aid the incipient merchant in his high and honorable avocation.

We say high, because commerce is now the most honorable pursuit in which a man of talent and enterprise can engage. Commerce is now the lever of Archimedes; and the fulcrum which he wanted to move the world, is found in the intelligence, enterprise, and wealth of the merchants and bankers, who now determine the questions of peace or war, and decide the destinies of nations. An adaptation to commercial pursuits does not, in our acceptation of the term, mean the mere accumulation of dollars and cents, which may be gained without merit, or lost without reproach, by disastrous reverses, which may baffle the most sagacious and well directed operations, and the most skilful combinations; not that ingenuity or tact which is directed to overreaching and circumvention, and to which the frank and the honorable oftentimes fall victims; but a profession embracing and requiring more varied knowledge, and general information of the soil, climate, production, and consumption of other countries — of the history, political complexion, laws, languages, and customs of the world — than is necessary in any other; and honorable, because a merchant, formed on our ideas of commercial character, would be fitted and qualified to act a part which would not only do himself, but his profession and country, honor.

Inseparably connected with commerce, are its handmaidens, agriculture and manufactures, and we shall endeavor to point out how they mutually assist and sustain each other — Agriculture and manufactures being the circular segment, and commerce, as it were, the key stone of the arch, which renders every thing secure, and wanting which, they would want the incentive to production.

With these objects and views, it will be seen that our plan is something like that laid down by Chief Justice Blackstone for himself, in his admirable

commentaries on the law — with this difference, that ours will require time before it can be fully developed, while his was at once laid before the public perfect and complete.

Every subject that can be interesting or useful to the merchant, will be embraced from time to time; for it is our intention to render the *Merchant's Magazine and Commercial Review* a standard work on the subjects to which it will be devoted, so that it may be referred to with certainty and confidence, for counsel and direction in the various questions arising in commercial affairs. Currency, exchanges, banking, commercial and marine law, partnerships, agencies, and statistical information, commercial and manufacturing, will have our special attention, as well as the domestic trade of the United States; and we are happy at being enabled to say, with confidence, that we have secured able and talented assistance in the various departments of our work, and the whole will be under our immediate supervision.

Well written communications will be received with pleasure, and inserted as far as our limits will permit, reserving to ourselves the right of abridging or excluding, as far as circumstances may render it necessary; and it will be at all times grateful to us, as proving an interest in our success, to receive communications from practical and scientific men, for as by the collision of flint and steel, light is extracted, so from the intercourse between mind and mind, truth is elicited, an impulse given to examination, and an incentive applied to research, which may produce valuable results — for thought is the germ of action.

ART. II. — COMMERCE, AS CONNECTED WITH THE PROGRESS OF CIVILIZATION.

[We are satisfied that we cannot present our readers with any thing more acceptable than the following able lecture, read before the "Mercantile Library Association of New York," on the 4th of December, 1838, by the Hon. DANIEL D. BARNARD, and furnished by him, at the request of the Association, for publication in our Magazine. It needs no comment from us, in ushering it into the world; for the subject is so ably treated, and so happily discussed, that it will be read with interest and advantage. We may be permitted, however, to remark, that it is peculiarly gratifying to see so many highly gifted minds turning their attention to commercial inquiries, and illustrating the importance of trade. No nation on earth is as eminently qualified, as the United States, by geographical position, internal resources, the spirit and indomitable enterprise of the people, for running a proud and successful career; and in proportion to the attention paid to these advantages by those who wield the destinies; and develop the resources of our young, but giant republic, will be the impulse given to our onward march in wealth and national greatness.]

THE subject with which it is proposed to occupy the present hour, is — commerce, as connected with the progress of civilization. And it is proper, and perhaps necessary, to a right understanding of the subject, that I should begin with a word or two of explanation.

What is civilization? In its ordinary acceptation, it denotes a condition of society, freed from the rudeness and ignorance of the savage or barbarous state, instructed in the arts, and practising the rules and customs of regular and polished life. I mean this by the word, and I mean something more. Besides the idea which it conveys, of settled homes, and regular employments; of country, and government, and laws; of protection to life,

limbs, and liberty; of property, and its securities, and the comforts, and conveniences which represent and result from property — besides all this, I employ the word, at present, to denote a high degree of social prosperity, abounding in wealth, without which the advance of any people in knowledge, in positive happiness, or in the exercise of the nobler qualities and virtues of our nature, will be retarded and uncertain; a high degree of personal refinement; superior cultivation, physical, intellectual, and moral; a superior acquaintance with the art of living generously and well, with all the accommodations thereto, “the means and appliances to boot;” in short, a condition of dignified enjoyment — of substantial happiness to the human being — such as we know to be within the capabilities of his nature.

I suppose, that from the creation, mankind have been tending, on the whole, towards excellence — towards the exaltation of the human character, and the bettering of their earthly condition and prospects. A candid appeal to history, I think, would demonstrate this fact. I suppose that the world has been man’s school of improvement, furnished and fitted with every requisite and means of culture, carefully adapted to his nature, and affording precept upon precept, and lesson upon lesson, of instruction, and varied according to his age and according to his progress. I suppose that men always have been improveable, that they are so now, and probably always will be. And I suppose that they have been actually improved — that they have from the earliest ages made an actual, though not an invariable, advance; and that that advance is not likely to be arrested, but accelerated rather, so long as the means of improvement on the one hand, and the capability of improvement on the other, are found to remain undiminished or unexhausted. On this topic, I rely upon facts, and I discard all speculations. I believe what I see, and I make all the past a credible and an accredited witness for the truth. I have no opinions, and I indulge in no conjectures, about the perfectibility of human nature, or of human happiness. Progression, improveability, is all that I insist upon; and this, I think, rests on the strongest proofs and the clearest demonstrations. It is demonstrable, I think, as the existence of God is demonstrable, from the evidences of design and adaptation. It is shown as a result, in the actual history of the race. And to the deep and contemplative student and observer of events, it is plainly discernible in the rise and fall of nations, and the wonderful way in which each has been made to serve the cause of human instruction and improvement, in its turn, and then to give place to its legitimate and appointed successor — appointed to carry forward a work to which the other was no longer competent; or perhaps to introduce a new system, or subject, of instruction and improvement, of which the other was ignorant, and must forever have remained so; and which, so far as we know, could have been introduced in no other manner. Of course, I reject the fanciful and atheistical notion, that nations start into accidental existence, mature, grow old, and then fall into decay, all equally without cause and without consequence. And I have as little faith in the idea entertained by some, that there must needs be, after a general intellectual progress and advance, a general decline, either periodical or otherwise. Such notions are contradicted by abundant fact and abundant experience. I reject them all. I look back, and I think I discover, bridging the long tract of time, since the morning of man’s existence, a regular graded plain, of gentle and constant, though not uniform ascent, along and upon which his pathway has been made, and by which, almost without perceiving it, he has reached al-

ready—at least, the van of the host has reached—a creditable and commanding elevation. And I look forward, through long and misty years to come, and think I discover the same broad plain, stretching away into the mighty future, rising gradually as it runs on, until it is lost in obscurity, marking the way of man's onward and upward tread in the sublime and appointed track, whither time and destiny seem to call him.

But I have one word more to say on this subject. There is nothing so true and indisputable, that some may not be found to doubt and cavil about it; just as there is nothing so absurd and impossible, that some may not be found to believe it. Happily for the object I have at present in view, it is quite unnecessary that the faith of others, in regard to the progress of civilization, past or to come, should square exactly with my own—should be neither greater nor less than that which I entertain. There is a common ground, on which we may all meet. Nobody doubts—every one admits and understands, that there is a broad distinction between the savage, or barbarous state, and the civilized—as between the Romans, in the fifth century, and the Northern hordes that swept over and trampled them down; and between our own Indian tribes, and the swelling tide of white population, before which they are fast melting away. As little is it doubted by any, that civilization admits of comparison and degrees—that one people may be more or less civilized than another—just as civilization in the East, though once in advance of the rest of the world, is at this day behind the civilization of Europe and America. And there are none, I think, among us, at the present day, who pretend to doubt that a state of civilization is the preferable state for any people, and by the same rule, that the higher the degree of civilization, the better and the happier.

So far, then, we are all agreed, that civilization is a desirable thing, and that it cannot be carried to too high a pitch, any more than it is possible for this people to be too wise, too virtuous, too prosperous, and too happy. It may be admitted, moreover, that we are already highly civilized—and if this was the fourth day of July, instead of the fourth day of December, we might, without spoiling our present argument, one and all, admit and insist, that the sun never shone on so glorious a country and people before, and never would again. So much, I say, we might admit and insist upon, without spoiling our present argument; for still it would be true that, as wise men, it would do us no harm to look a little to the sources of our prosperity and glory. That if we could do nothing to enhance the advantages of our position, we might, at least, take care that we should not begin to decline prematurely, and, by what we should do, or omit to do, precipitate our own inglorious fall.

Every one must be aware, that there exists at this day, as in times past, and in this country, as elsewhere, more or less distrust of commerce—more or less prejudice against commercial operations and commercial men. Ancient Egypt began to be civilized with beginning to be commercial. Her merchants were the first who found their way to the great Indian continent, which they did by the way of the Red Sea; and with bringing in the commodities of the East, they brought in also, and diffused, a taste for the arts, and especially for that style of heavy and massive architecture, which finally constituted about all there was of civilization in Egypt, and which, I think, there can be no doubt, was borrowed from the models of Indian architecture then existing, and of which some remarkable specimens still remain. But it did not suit the policy of the political priests of Egypt,

to tolerate trade. They desired to encourage agriculture exclusively, and they made their restrictive measures effectual, by fortifying their harbors, forbidding strangers to enter, and teaching their own people that the sea, to which their river flowed, was a monster, which only waited an opportunity to swallow up bodily their God, the Nile, and leave them a deserted, ruined, and starving people. Now, some of the prejudices excited against commerce in modern times, have been worthy of this elder example. Napoleon knew well enough where the strength of Sampson lay; but when he wished to render England odious to a nation of soldiers, and make his own continental system acceptable, or at least endurable, he stigmatized the English as a nation of shop-keepers. The expression had its effect; but the catastrophe which Napoleon had the sagacity to dread, and which he endeavored to avoid, was not thereby averted. The shops of England, in that most memorable controversy, eventually proved too powerful for the military genius and resources of the greatest captain of any age. For to the eye of the philosophic observer, it must be apparent, that it was commerce that triumphed on the field of Waterloo.* That battle would probably never have been fought, much less won, as it was, had it not been for the outpoured and exhaustless resources of England — resources which clearly had their foundation and their growth in commerce. I shall not deem it necessary, nor would it be discreet, to allude with any particularity whatever, to the prejudices with which rival interests sometimes, and mistaken views and opinions always, have, to a greater or less extent, imbued and warped some minds amongst ourselves, in regard to commerce — in regard to its interest, its objects, its real character, and its mighty, but little understood operations and influence. It is no part of my business or purpose, to vindicate the mercantile interest from any petty aspersions, of which it may, at any time, have been the subject. My plan, I trust, is a broader and more comprehensive one. I desire to do what little can be done by me, and in so brief an opportunity as this must be, towards placing commerce on its true foundation — towards giving it that position of importance and high consideration which really belongs to it — especially in the estimation of mercantile men themselves, the younger and more inexperienced members of the class particularly. I desire that the first claims of commerce, and of the class of merchants, shall be understood and felt, at least by themselves, if not by others; for out of this proper appreciation, it is reasonable to hope, that some valuable results, as well to the country and the world, as to themselves, may chance to flow. In short, I desire to show that commerce always has been, that it now is, and always must be, especially and most closely connected with the progress of human improvement — that this is a capital element among the means and instruments of a thorough and complete civilization — and that it is quite within the power, as it is both the interest and the duty, of those having the charge of commerce, either conducting its affairs, or exercising any control over it, to wield the vast influence which naturally belongs to it, in a way to make it productive of a much greater amount of benefit to themselves, to the country, and to mankind, than could be expected from ordinary, neglected, and accidental results only.

And in the first place, a brief recurrence to the well known records of the rise and progress of commerce, will show how exactly it has kept pace

* To say nothing of the nature and principal cause of the continued struggle between England and France, — a war for mastery between the Colonial and the Continental systems.

with the rise and progress of civilization — or rather, it will show, I think, that civilization has followed almost uniformly in its train.

I have already alluded to the early, incipient trade of Egypt, as having lasted just long enough, before its suppression, to introduce, along with the productions of the East, such an acquaintance with learning and the arts, then existing in the East and nowhere else, and so much taste for them, as enabled the Egyptians to maintain, through several centuries — in the midst, however, of an essential barbarism in manners and morals — a degree of intellectual cultivation, of which no other example was found, at the time, among the western nations. The Egyptians cultivated the natural sciences and architecture, and by colonizing Attica, lent to Greece the torch-light of the knowledge possessed and cultivated by them.

The first example of an extended and flourishing commerce, was set by the Phœnicians and Tyrians; and, for a long period, the whole Western World was barbarian, compared with them. They traded with Asia, Africa, and Europe, and with the Islands of the Atlantic. They made territorial discoveries, and obtained a knowledge of geography, of which the Greeks themselves were wholly ignorant at a much later period. They may be said to have invented, rather than improved, ship-building; and they carried the art to some degree of perfection. They discovered the manufacture of glass, and that of woollen cloth; they prepared the inimitable purple dye; and they executed mechanical works in great variety. They built cities, which were enriched by trade, and refined by the arts. They cultivated astronomy; and the invention of letters, and of arithmetic, and their introduction into Greece, is commonly attributed to them. They were not war-like, because their occupations were peaceful; and they extended a peaceful dominion, by colonization and alliances, over a considerable part of the then known world; much of it, indeed, known only to themselves, or through themselves. Wherever they went, they carried with them knowledge and the arts. The first notions of civil society in Greece came from them. Asia Minor, several of the principal islands in the Mediterranean, Carthage, and Cadiz, received their first population, and their first impulse towards improvement and knowledge, from this commerce-loving people.

The spirit of commerce, and with it, that intellectual activity and enterprise which distinguished the Tyrians, were transmitted to the Carthaginians. As the Phœnicians had engrossed the trade with India, the Carthaginians struck out boldly into the Atlantic. Passing the gates of Gades, they pushed their adventures along the coast of Spain, and of Gaul, and finally penetrated to Britain. Nor were the voyages of this people merely those of trade or private adventure. Voyages for discovery only were made, and fleets were fitted out for the purpose by the Republic, and at the public charge. That Carthage was a leading state among the ancients in cultivation and civilization, we all know. Of her wealth, her prowess, and her power, let her early conquests, her successful commercial wars, and her commercial treaties, speak. She was finally crushed beneath the ponderous weight of her great rival; but her overthrow was only accomplished, after she had been gradually stripped of the best part of her possessions and her property, and reduced to poverty and abjectness, by the interruption and destruction of her trade.

A fact which tends to show that both the Phœnicians and Carthaginians, had made a creditable advance in civilization, is this: that they were enabled to establish and maintain their governments under republican forms. And the Carthaginian constitution was very remarkable, for a period so

early, in one important particular — I mean the complete separation of the civil and military power. It was the union of these that led to the downfall of freedom in Rome.

Several of the states of Greece pursued commerce with considerable success; and her maritime and naval power was respectable, and even formidable. But the Greeks were in no degree distinguished as a commercial people. Their trade was confined almost entirely to the Mediterranean, and they knew little of the science of navigation. The truth is, that the Greeks seem to have had committed to them a peculiar trust in regard to civilization. It was time that the human mind should begin to be turned in upon itself, and opportunity afforded it to try the strength and the elegance of its own powers. It seems to have been put to the Greeks, to show what the human being is capable of, when allowed, under favorable circumstances, to devote himself to the cultivation of the intellect and the taste. Hence, they contented themselves with being shut up in almost total ignorance of the earth beyond their own narrow precincts. They despised every other people, and every other language. And they set themselves assiduously, and of course, successfully, to the cultivation of letters, of philosophy, and the fine arts. Their mission was an important, though a limited one, and it was most faithfully executed; but it has been rather in opposition to them than through them, against their exclusiveness and through other and very different agencies, that the world has been put in possession of the results and benefits of their labors. If the world had waited for the Greeks themselves to diffuse the light they kindled, it is hard to say when its general illumination, through their means, would have commenced.

The Greeks were finally led forth to foreign conquests by Alexander; and it was under him, the great Macedonian hero, and by the force of his wonderful genius, that commerce began a new and splendid reign. It is remarkable that Alexander, whose march through hostile countries was scarcely impeded by his successive victories, was obliged, in his rapid career, to sit down for seven months before the peaceful city of Tyre; and, finally, made a conquest of her only after the most incredible exertions. It was, probably, this very resistance on the part of the Tyrians, with the vast resources which they were enabled to command for their defence, which first led the conqueror to comprehend something of the superior advantages of commerce; and, finally, prepared the way for the foundation of that great commercial emporium, in lower Egypt, which bore his name.

The city of Alexandria was founded and located expressly with a view to its commercial advantages. It commanded the trade, both of the East and of the West, and it never lost its ascendancy, at least not beyond recovery, let what revolutions would come, as the centre and mart of universal trade, until near the close of the fifteenth century, when the Portuguese discovered, perhaps rediscovered, a new route to India, by way of the Cape of Good Hope.

But the city of Alexandria, be it remembered, became as much the centre of the arts and the learning of the world, as it was the seat of commerce and dominion. This was the theatre of the learned labors of the Hellenists; the seat of the celebrated academy and museum, where the greatest scholars of the age lived, studied, and instructed; and here was collected that celebrated library, designed to preserve and perpetuate the whole body of ancient learning, and embracing the entire circle of Grecian and Roman literature. *Elegantia regum curaue egregium opus.*

The next great event in the order of time, to be regarded as affecting the

condition and advancement of the race, was the accession of Rome to universal dominion. In all the western world, there was one central empire; every thing else was provincial only. Carthage was a province; Greece was a province; Egypt was a province; all subject to the sway of imperial Rome. Now, the proud and soldierly citizens of Rome despised commerce. Commerce, navigation, mechanical arts, and, indeed, for a considerable time, and to a considerable extent, letters themselves, were regarded by the haughty Roman as fit only to occupy the slave, the freedman, or the provincial. His business was to follow the trade of glorious war; the conquest of arms, and to delight himself with bloody pastimes. At a later period, stimulated by the learning and the example of the conquered Greek, the Roman cultivated letters successfully, and he carried one department of human learning, the department of law, to a noble and unexampled perfection. And his haughty disdain of commerce, as a personal employment, did not make him utterly blind to its merits and advantages as a business in the state. Commerce was suffered to remain in original hands; and it was so much the more active and successful, as it was now every where under the control and direction of one central power, and was freed from the injurious restrictions and obstructions to which it had been before subject, from the mutual jealousies and hostilities of rival states. The city of Rome, as the seat of supreme power, and the capital of universal empire, was the grand point and reservoir to which the wealth of the provinces, and the chief profits and productions of all their trade and business, were made to flow. For this purpose, were these countries conquered; for this purpose, they were made provinces. Commerce increased the importance and the wealth of such of them as had been, or were, maritime states, and made them, of course, the more desirable and valuable, because richer subjects, to their imperial and plundering masters. Commerce, therefore, was fostered and encouraged by the Romans. They were made richer by it; they were enabled to indulge in a growing taste for the rare luxuries of the East; and they found in it a powerful ally and coadjutor in their great business of war and conquest.

Now, the agency which commerce, during all this period, had in furthering human improvement, is evident enough. It was the means of establishing and preserving an intercourse between Rome and her provinces, and between the various countries themselves subject to Rome, on a footing very different from that which otherwise must have existed. It was an intercourse, in some degree, of reciprocal advantage; it softened hostile feeling; it caused men to begin to regard each other as friends and brothers, who might be better employed than in robbing and murdering one another; it enlarged, at once, the desires and the capacities of men; it improved their tastes, their manners, and their habits; and, by opening channels of more easy and general communication, it made an extension and diffusion of knowledge and the arts, and of the light of learning, possible, which was quite impossible without it.

But now the time was at hand, when Rome must fall. Her mission had been fulfilled; her work was done, and she must give place to new races of men, who, though at first of most unpromising appearance, should, in time, take up improvement where she should leave it, and carry it on to a perfection which she was, and must forever have been, incapable of giving it. The first effect of the great Northern inundation, which swept over the Western Empire, was to quench, at once, the light of science, of arts, of letters, and of civilization in Europe. Europe returned to primitive barbarism.

Her territory cut up and parcelled out into small states, always independent and generally hostile; there was a sudden and utter end of the union and intercourse which had existed under the Roman power. Learning was despised, as leading to effeminacy; and universal ignorance, rudeness, and barbarism prevailed. "The names of stranger and of enemy," says Robertson, "became once more words of the same import. Customs every where prevailed, and even laws were established, which rendered it disagreeable and dangerous to visit any foreign country. Cities, in which alone an extensive commerce can be carried on, were few, inconsiderable, and destitute of those immunities which produce security or excite enterprise. The sciences, on which geography and navigation are founded, were not cultivated. The accounts of ancient improvements and discoveries, contained in the Greek and Roman authors, were neglected or misunderstood. The knowledge of remote regions was lost; their situation, their commodities, and almost their names, were unknown."

But, after some ages of settled gloom and darkness, symptoms of revival began to appear; and it is worth remarking, that these symptoms first showed themselves among those tribes of barbarians who had possessed themselves of Italy, and were favorably situated to commence operations in trade. Commerce had not been at any time wholly neglected in the Greek empire. Constantinople had all the while preserved a taste for the productions of the East, and kept up the intercourse necessary to bring them in, even when compelled to resort to the tedious and difficult route, inland, by way of the Indus, the Oxus, and the Caspian and Euxine seas. These productions were also brought by way of the Persian gulf, and the Euphrates and the Tigris, to several cities on the Syrian coast of the Mediterranean. And the Arabians, in possession of Alexandria, revived and carried on the old trade between that city and India, by the route of the Arabian gulf and the Indian ocean. With all these marts of trade successively, the Italians established and maintained a commercial intercourse. They began this intercourse so early as the age of Charlemagne, and by the time the Crusades commenced, several of their cities had risen to considerable opulence, and already, through the channels of their trade, they had communicated to Spain, to France, to the Low Countries, and to England, some valuable ideas of manufactures and arts. The holy war, as it was called, gave a new impulse to the trade and business of the Italian cities; and Venice, particularly, became a powerful state, with great personal wealth, and extensive and valuable territorial possessions. The profits of trade stimulated the Italians to attempt the production and manufacture of various commodities, for which they found a growing demand in every quarter of Europe. Companies of Lombard merchants were settled in the various kingdoms, under the immediate protection of the governments, and a special suspension made in their behalf of the absurd customs and enactments against strangers, for the purpose of receiving, vending, and distributing the productions of Italian trade or Italian skill. And it was through these means chiefly that the European nations were first led to value or desire the useful and elegant arts and luxuries of life.

Following the efforts and successes of the Italians, the spirit of trade and enterprise was aroused in the north. The famous Hanseatic League was formed, and became a powerful and formidable association. The cities of the League concerned themselves as well with politics as with trade, and they conducted with equal skill and success the transactions of commerce and the operations of war. Between them and the Lombards, an active cor-

respondence and exchange took place; supplies became more regular and abundant, and had a more extended and general distribution. In the mean time, a new spirit of industry was excited; manufactures flourished, especially in the Netherlands. Flanders, through her trade in woollens, became populous and opulent. And finally, England, by the wise conduct and policy of Edward III., following the example of Flanders, and aided by Flemish artisans, adopted the manufacture of woollens, and thus, by this simple beginning, set out in a commercial career, which she has since run with unexampled credit, advantage, and success.

The effects of the revival and prosecution of trade in Europe, were too plain to be mistaken. It aroused and liberalized the minds of men. It subdued their mutual animosities. It softened their manners. Laws and governments were greatly modified by it. It fostered the genuine spirit of liberty and personal independence. It stimulated to activity, industry, and enterprise. It produced wealth; and this led, first to indulgence, and the adorning of life, then to ease, leisure, and finally, to study and intellectual cultivation. The first attempts to revive literature, were made in the twelfth and thirteenth centuries. They were begun in Italy, where trade was begun; and instruction was first derived from the Greeks at Constantinople, and the Arabians at Alexandria, as commodities had been. And when literature really revived, at a later period, it was still in Italy that her light was kindled; and it is believed, that wherever the illumination spread in Europe, commerce had preceded it.

I need not dwell on subsequent events, marking the grand outline of the modern history of commerce. They are familiar to all. A safe and intelligible path was found on the broad ocean, by the discovery of the Mariner's compass. The Cape of Good Hope was discovered, and passed. A new world was found.

“The 17th century was the period in which the principles were adopted, and most of the establishments formed, which have contributed to advance the commerce of Europe to its present astonishing height. The interests of nations became better understood than in any former age; the utility of commerce had become evident to every one, from the wealth and power it had conferred on the states which had encouraged it; and commercial treaties became frequent between the different nations. Navigation was improved, new settlements were formed, and many of those before made were rising into importance; manufactures were advancing in many parts of Europe; shipping was increasing; and the intercourse between distant places, from the accumulation of knowledge and experience, becoming more expeditious and secure.”*

Since the period just named, commerce has steadily gone on, improving, and enlarging, both in Europe and America; while, within the few short years of the present century, it has acquired an actual increase, and a prospective activity and advantage, which give to it a value and an importance which have never been felt as belonging to it before. Now in all the progress it has made, in modern as well as in former times, it is impossible not to see, that the enlightenment and civilization of mankind, have made a general and equal advance along with it. It is impossible not to discover that its influence, on the whole, has been as salutary, as it has been powerful and commanding. It is identified every where with improvement — im-

provement in mind and manners — improvement in arts and letters — improvement in knowledge, in morals, in legislation, in laws, in liberty, — and in all this improvement, it has led much more than it has followed; it has been the pioneer, much more than the fellow and companion of human advancement and civilization.

But no adequate justice can be done to the claims and merits of commerce — to the great influence it has exerted, and is destined to exert, on human affairs — without a recurrence to some particulars. It is important to understand how commerce operates, and by what instruments and agencies — what results it produces, or is capable of producing, and by what means it produces them — in order to comprehend, in any fit degree, the eminent service it has rendered, and may be expected to render, to mankind. The limits of this occasion will not allow me to do more than to glance, in a cursory and hurried manner, at some of these particulars.

The direct object of commerce is the exchange of commodities. Of course, there must be commodities to be exchanged; and the more of them there may be, the more considerable will be the business and the profits of exchange. Commerce, then, is concerned to favor production, to favor industry, to favor ingenuity and invention. She stands between the class of the producers and the class of the consumers; and her interest is to encourage both production and consumption. To encourage consumption, she labors to create a taste for commodities; she persuades her customers, that their comfort will be promoted, and their happiness increased, by the possession of these commodities. In the early periods of commercial operations, whether the object be to sell, or to purchase, intercourse takes place always between those who are in diverse or different states, in regard to improvement, usually by the visits of the more civilized to the less civilized. The object is to induce the savage to exchange the skins in which he wraps himself, for the coarse but more comfortable cloths of the merchant — to induce the barbarian to give up his bow and arrow for the rifle, and the rifle in turn for the plough and the sickle. As improvement goes on, the articles of the trade improve in texture, in value, and in variety; until, finally, nothing is satisfactory short of productions formed of the most costly and precious materials, and wrought with the most exquisite skill and workmanship. Wants have been increased with the increase of supplies, while the ability and means to satisfy them all, if circumstances have not been unfavorable, are certain to have increased faster and faster still. Whatever can save or facilitate labor; whatever can gratify the taste or the intellect; whatever can promote comfort, safety, ease, enjoyment, is sought after and had for the asking and paying for. And these very wants, and this very consumption, are indicative of refined and polished life.

But while commerce has been creating all this taste, and all this desire, for the arts, the conveniences, and luxuries of civilized life, she has of necessity put in operation, or encouraged, other agencies of human improvement, in order to enable her to meet the demands she has thus created. The mechanic, the artizan, the agriculturist, and the manufacturer, have been stimulated to new industry and new effort. Production has increased. Division of labor has taken place. Invention and ingenuity have been at work. The ocean and the earth have been explored for materials. Agriculture has been roused to activity, to give subsistence to labor in other departments. And thus, on the side of production, immense good has been effected. Those who produce are enabled to consume; and the more, the more they produce. As production swells, profits increase; the elements are set to work, instead of muscles;

machinery comes in substitution of labor ; wealth abounds ; leisure is gained ; and enjoyment, refinement, and cultivation, follow.

This is the process, and this the progress, of communities under the lead of commerce. Production and commerce, as grand departments of industry, are indeed interests of mutual and reciprocal advantage. But there is that in the spirit of commerce — in her activity, her daring, her enterprise and energy, which puts her, almost always, on the advance. She it is who points the way, and beckons skill and labor on. It was the class of merchants who caused the manufacture of silk to be undertaken in Italy, and that of sugar in Spain ; whence it was transferred to our own side of the Atlantic ; and those of woollen and flax, in the Netherlands. Manufactures, as well as natural products, are their stock in trade, the grand capital and basis of all their operations. The establishment of particular manufactures, in particular localities, may sometimes be opposed by portions of the mercantile interest, as when attempted under an unjust application of the restrictive policy. Freedom of trade is the motto of the class. But, as a whole, the world cannot be too busy with manufactures — with production — to suit the merchant. As long as a market is left, or can be found, on the face of the globe, to be supplied, he cries to the producer and the manufacturer for more. He is never satisfied till the world cries enough.

A service of incalculable importance which commerce renders to the interest of production and manufactures, and thence to the cause of human improvement, is in making a territorial division of labor possible, which would otherwise be impossible. By the operations of commerce, every separate country, and each particular section of every country, is enabled to prosecute, with undivided attention and devotion, the peculiar business for which it is exclusively or best fitted by position, soil, surface, or climate, by the physical and mental condition or genius of its population, or by the prevailing state of production, of trade, or of markets, in other places and other parts of the world. Through commerce, it becomes possible to devote one region to the culture of tea, and another to coffee and sugar ; for one people to grow cotton, another rice, another wool, and another grain ; for one community to engage in the manufacture of cloth, another of leather, and another of iron ; for marble to be quarried in this mountain, and coal dug out of that, and gold picked out of the earth that washes down from a third. Indeed, without a territorial division of labor, there would be a narrow and impassable limit to the personal division of labor. And if it were possible now to conceive of the sudden arrest, from any cause, of the operations and business of commerce — the ceasing of the now ceaseless flow of commodities from one country to another, and between different parts of the same country — we could not fail to see that production must at once be arrested, and almost entirely cease over the world, and that, of necessity, the world must return to a primitive condition of simplicity, ignorance, rudeness, and barbarism.

But as commerce deals with commodities, buys and sells and transports, its constant desire and effort has been, as I have already intimated, to widen and extend the sphere of its active operations. This has led to territorial discovery and to colonization. The direct object has often been to find new commodities and new markets for the uses of trade ; but, from the beginning, as a general thing, commerce has pursued adventure with a liberal, enlightened, and noble spirit — with a desire to enlarge the boundaries of human knowledge, and spread the light and blessings of religion and civilization over the broad earth. In obedience to a principle wisely planted in our common natures, the

first promptings to adventure and discovery, as in the classic expedition to Colchis, have no doubt usually been the desire and the prospect of obtaining possession of the golden fleece. The first anticipation of some direct and substantial reward, must usually be found necessary to sustain and encourage adventure, where difficulties and perils are to be encountered more dreadful and appalling than those which were involved in the three memorable labors of Jason. But, as in the very case of that bold and skilful navigator and hero, other and loftier motives and aspirations are soon found to mingle themselves with the spirit of gain. The adventurer finds himself engaged in an enterprise which, if successful, must result in incalculable benefits to his country and his kind. His imagination is kindled. There will be glory as well as gain in the achievement. He becomes fired with that noblest and strongest of all passions, when once it takes possession of the human breast — the desire of doing some great good to his race — of working out some mighty and glorious result in human affairs; and he expects, as he has a right to expect, that, as it happened to the Argonauts, the time will come, when the very ship in which he sails will shine as a constellation among those bright and light-giving objects which men love to gaze and wonder at, and his name be enrolled with those to which the earth pays a willing tribute of veneration and praise.

The history of discovery and of colonization, is nearly identical with the history of commerce; and the march of improvement and civilization has been, by an equal step, in company with discovery and colonization. It is curious to observe how uniformly these important movements have had their origin, or their chief conduct and agency, among commercial nations, or with commercial men. When Necho, an Egyptian king, at a very early period, sent out an expedition, with a view of ascertaining, if possible, the form and termination of Africa, he was fain to trust its execution to Phœnician navigators. It was the Tyrians who founded Carthage and Cadiz. And it was Carthage, in her turn, that sent out Hanno, with sixty ships and many thousands of emigrants, of both sexes, to pass the pillars of Hercules, to seek out new and unheard of territories, and found new colonies. Rome contented herself with making discoveries on land, and by the march of her conquering armies; and it was at once, perhaps, a cause and a consequence of the want of commercial enterprise among the Romans, that they religiously believed to the last, with Pliny the naturalist, and the learned and philosophic Cicero at their head, that, of the zones of the earth, two only, namely, the temperate zones, were habitable. That these two were antipodal, and all the communication between them forever impassible, by the interposition of a tropical region, which was perpetually burnt up with heated vapors, and unquenchable flames! Since the period when extended navigation became possible, by the use of the magnetic needle, discovery and colonization have been almost exclusively in commercial hands. Portugal was a maritime state, and led the way. The Spaniards, the Dutch, and the English, all engaged in these enterprises. The connexion of discovery with commerce is traceable, indeed, in every direction. Americus Vespucius was a native of Florence, where he was thoroughly instructed in natural philosophy, astronomy, and geography — three branches of learning which engrossed attention at the time in Florence, expressly on account of their importance to commerce. John Cabot was a Venetian pilot, of great skill in navigation, and Sebastian Cabot was his son. Columbus, too, had his origin in commercial Italy. He was a native of Genoa. So it is with discovery,

and attempts at discovery, in more modern times. The hand of commerce is in it all. The efforts to break through the ice of the poles, early began, long continued, and still persevered in; and the formidable South Sea expeditions of our own times — the resolution to penetrate every sea and every clime — to leave no portion of the earth unexplored, or unvisited, by the foot of civilized and christian man, — all this is the work, and the mission of commerce — comes of commerce — belongs to commerce — and will finally be accomplished by commerce.

But there is another department of human action and enterprise, in which the agency of commerce has been, and must continue to be, exerted with the happiest effect — leading, indeed, to results of the highest interest, and of the last importance to mankind. I allude to the matter of the improved and improving means and facilities of intercommunication, for transit and for transport, whether by water or by land. I set down, without hesitation, to the account and credit of commerce, about all that has yet been done, and by anticipation, all that may be done, in this sort of improvement; because, without pretending that whatever has been done in this way, has always been begun and prosecuted by commerce — yet commercial intercourse has always been the direct object in view — and so it must be in future. The interests of trade are apt to be the first to prompt to these improvements; and whether that be so or not, all other interests, agriculture, manufactures, mechanic arts, and trades, with ten thousand incidental benefits, are favorably affected and promoted by them, according as trade is advanced through their instrumentality.

In speaking of these improvements, I mean to include every thing that affects navigation and transport by sea, or on rivers and canals, or carriage by land. The science of navigation itself, with the various sciences and branches of learning more immediately connected with it — the art of building ships, as well as the art of sailing them — the discovery of the magnetic needle, made by a navigator — the progress which has been made in the knowledge of meteorology; of climates, currents, winds, and storms — the discovery and establishment of channels, harbors, and roadsteads, with the various artificial works relating to them — the method of propelling vessels by steam, destined, no doubt, to effect new and mighty revolutions yet in maritime and naval operations — the increased protection afforded to ocean navigation and to trade, not more by an adequate show of naval force, than by the prevalence of sentiments and doctrines at once more humane and more just — the establishment and growth of commercial tribunals, conducted on the principles of equity, and the advance which has been made in building up a system of international and commercial law, on the foundations of justice. Add to all this, improved river navigation, the construction and use of canals, road making on new and improved plans, and finally, the adoption of rail-ways, with the employment of steam-power upon them, for draft and for speed. Here is a most lame and imperfect enumeration of particulars, in regard to which, the agency and the interests of commerce have been exerted and wielded, not for the purposes of general utility and advantage merely, but for the rapid and substantial advance of the race of men in knowledge and wisdom, in civilization and power.

Improvements in the means, securities, and facilities of transports, considered in two principal divisions, have reference either to ocean navigation, or to carriage by way of the land. In regard to ocean navigation, if any one would understand the progress it has made, and the progress of mankind

along with it, for want of a better mode of arriving at the truth, and comprehending the whole of it, he might take a single instance or example. Let him look at a ship of Grecian construction, and compare it with some specimens of modern naval architecture. Certainly one of the most celebrated maritime expeditions in the world, was that undertaken by the Greeks to Colchis—not, I suppose, by any means wholly fabulous. The ship in which the adventurers sailed, was the *Argo*, described as magnificent in her proportions, as well as exquisitely finished, and altogether of such worth as finally to attain the distinction of having her name, as if for a perpetual memorial, written on the heavens among the stars. This stately ship was forced to make a tedious circuit on her return home, after the immediate objects of the voyage had been accomplished; and it is remarkable, that a part of this circuit was a journey on solid ground, or over the mountains and valleys that lie between the Danube and the Adriatic. Of course, the carrying was equitably divided between the parties to the enterprise. The ship bore the navigators by water, and the navigators bore the ship by land. So, too, one of the most famous naval battles recorded in history, was the fight between the Greeks and Persians, at Salamis, into which the Greeks brought three hundred and eighty ships—all, of course, mighty men-of-war, but not a deck, nor a quarter of a deck, among them all. “Look on this picture, and then on this.” Think of the moving mountains of wood and iron, which compose one of our ships of war, of the larger class—the *Pennsylvania*, for example—her lofty decks, rising tier upon tier—her enormous length—the fearful height between her top mast and hold—the batteries she carries, and the army of men that musters within her walls. Or take an instance from our commercial marine—one of our own beautiful liners, for example—or, if you please, the *Great Western*, as a specimen of her class, and typifying the latest triumph of human skill and human power, over those most formidable obstacles, which broad oceans, capricious gales, and raging tempests, have always interposed to the intercourse of distant nations and peoples, and thence to the progress of mankind in general cultivation and improvement.

But not to dwell on this point, and considering navigation as now in the act of approaching all the perfection of which the imagination can conceive it to be capable; let us recur, for a moment, to the consideration of the subject of internal improvements—of improved facilities for intercourse and communication through or by way of the land.

The agency of commerce, in this department, has been conspicuous from the beginning. We have an instance or two, in its early history, to illustrate the promptness with which it lays hold of the idea of internal improvements, as essential to the success of its own enterprises. To say nothing of the celebrated canals of ancient Egypt, when Alexander the Great had opened the trade of India to the Greeks, and the Europeans generally, at the city of Alexandria, to be carried on by way of the sea, and the Arabian gulf, his next concern was to open the same great magazine of supplies, by some convenient route, to his Asiatic subjects, situated about and above the sources of the Tigris and the Euphrates. For this purpose, he commissioned his officer Nearchus, in command of a competent fleet, to explore and examine the coast-wise course of navigation, between the mouth of the Indus and the entrance to the Persian gulf. One serious obstruction he knew existed in another part of the proposed route, namely: at the mouth of the Euphrates, in the cataracts, so called, which the jealous and narrow-minded Persians, in their time, had caused to be constructed, as an effectual barrier against the

approach of strangers to their territory, in that direction. Now this obstruction Alexander proposed and was prepared to remove, however difficult — the first example, it is believed, on record, of a plan to free the channel of a river from impediments to its navigation, whether natural or artificial. This was, comparatively, in the infancy of the world, as well as of commerce. At a later period, after the race in Europe, which, in the lapse of time, had grown up to the stature of incipient, though uncouth and awkward manhood, had been struck back again into mere childishness, ignorant, stupid, and ferocious; and when the first glimmerings of returning intelligence and civilization began to appear, another instance occurred of a grand conception for a work of internal improvement. This was the conception of Charlemagne, who, by subduing, and uniting together, under his own sway, a large number of hitherto independent, and jealous, and jarring tribes and nations, prepared the way for a renewal of the intercourse and commerce between various points and places in Europe, which had existed under the dominion of Rome. To favor the interests of commerce, and the improvement of his people still more, he formed the magnificent project of opening a direct communication between the German ocean and the Black sea, by uniting the waters of the Danube and the Rhine. Unhappily, the low state of scientific attainment and skill at that day, would not allow of the execution of the work.

It cannot be necessary to allude to other cases of the like kind, with those just referred to, in ancient or early times, to show what was then the tendency and spirit of commerce; and this lecture has already been drawn out to too great a length, to admit of any thing more than a naked reference to the wonderful progress which works of internal improvement have made, and are making, in modern times, in all the civilized quarters of the globe. The improvement of natural river channels, and the construction of artificial ones; with the more recent device of reticulating the broad surface of extended territories and districts of country with rail-roads, are leading to consequences of which the first and faintest effect only are beginning to be felt; but which, in their ultimate and grand features, have as yet been but most imperfectly imagined. Foreign commerce, from the very necessity of things, is greatly dependent upon, and limited by, domestic and internal trade. And as domestic and internal trade must always depend, for its extent and its prosperity, on means and facilities which can only be afforded by liberal and enlightened systems, and works of internal improvement; so may these systems and works be deemed secured and guaranteed to the world, by the very interests of commerce, as well as by the generous, and enterprising spirit which is commonly known to actuate it. What has been already done in this matter in the several countries of Europe, and in the United States — the more commercial communities among them being always on the lead — is the pledge and earnest of the efforts and the successes which are certainly to follow. The command of Heaven to man, that he should *subdue the earth*, will never have its answer in complete obedience, till he shall have conquered, and all but annihilated, the spaces that intervene between the seas and the centres of territories and continents, and between the various extremities of the land, and points of departure and approach, for the population and the business that must swarm and swell upon its surface. That this consummation must sooner or later be realized, it would be most unreasonable to doubt, in the face of all the enterprise, activity, energy, and skill, which so eminently characterize this age of the world. The human intellect is awakened and aroused — and no where more thoroughly than among our-

selves — its condition, in general, is becoming freer every day, and with freedom, it gains power — a power which is learning to display itself in acquiring a just dominion over material things, and asserting and vindicating a proud superiority and mastery over physical obstructions, difficulties, and disabilities, placed, for obvious and wise reasons, in the plain pathway of his advance towards that point of dignity and excellence, which is clearly attainable, but only so through severe discipline and patient cultivation.

No one, I am sure, can be more sensible than I am, how very limited and imperfect is the view I have presented of the advantages and influence of commerce, and its connexion with the past, and the anticipated progress of civilization. The subject, as all must have seen by this time, is quite too vast and gigantic in its proportions, to admit of compression, with any show of justice, within the proper boundaries of a single occasion like the present. There are several considerations of deep interest connected with it, to which no allusion even has been made — while the topics which have been touched upon, have only been touched, not handled. The influence of commerce, not only as it is the source of liberal profits, and generally of great aggregate wealth, to the class of merchants themselves — the use of which is always distinguished by singular generosity; but also as it stimulates to industry and enterprise in the other grand departments of business — opening the way and the only way to wealth in them, by opening markets to them — by affording them a vent for surplus commodities, without which there would be no surplus production, no profits, and no accumulation. The influence of commerce, in enabling men to congregate in large towns and cities, which otherwise could not possibly be subsisted and sustained, leaving to the fields only such portions of the entire population as are essential to their profitable cultivation, instead of crowding those fields with herds which, without commerce, would occupy only to crop them, as the beasts do, for a present and bare subsistence — enabling men, I say, to congregate in cities, which, with all the vices and impurities that necessarily yet belong to them, always have been, and must be, the chief seats of refinement and civilization in every land, where wealth aggregates and centres — where literature, polite learning, and the fine arts, flourish — where manners are polished — where intellect is alive and active — where sympathy and benevolence have an ample field for untiring exertion, and in which exertion never tires — where virtue is of vigorous growth, because it is obliged to flourish in spite of the tainted atmosphere it dwells in, or die — where morals have a strong cast, because they exist in the very presence of seduction and crime — and where piety, and faith, and honor, and manhood, and nobleness, and generosity, all put on a positive and resolute bearing and quality, because they are called to occupy their spheres, and exercise themselves in the face of the boldest infidelity, and before the sworn enemies of all the orderly, decent, and legal institutions and customs of civil society. Again; the influence of commerce, in favor of human liberty, as its whole history, if examined, would show, in resisting the exactions, and breaking down the artificial and oppressive distinctions of the feudal system — in demonstrating, as it did in Italy, and in the free cities of Germany, and elsewhere, the power and capacity of men to establish and maintain independent communities, to form confederacies, and to govern themselves, — in raising up a new class in society — men who could carve out fortunes for themselves, without the sword — men who could command, without being born to command — men who were competent to business, to public business, because they were brought up to business — men who showed that there was some value in other things, as well as in lands — that the lord

of manors was no better or wiser, than the lord of ships, of money, and of merchandise, and that the world might be benefitted quite as much by industry and noble virtues, as by idleness and noble blood — in short, that the world, after all, was not made for kings and barons, but for generations of free-born men to dwell in and to enjoy. And again; the influence of commerce, in favor of the gentle virtues and arts of peace, and against the trade and the calamities of horrid war, an influence which has been felt, first, in teaching men that they may have a better and more profitable occupation, by turning their thoughts to productive industry, and acquiring the means of surrounding themselves with the comforts, conveniences, and luxuries of quiet life; then, in rendering wars of territorial conquest or personal ambition, at least in countries highly commercial, difficult if not impossible; then, in showing that negotiation is better than blood in composing disputes, and that treaties and compacts between nations are quite as rational and effectual a way of defining accurately their mutual rights and obligations, and bringing them to a good understanding with each other, as ramparts and bristling cannon, lines of circumvallation, sorties and attacks, the tramp of armies, the shock of battles, the desolation of homes, habitations, and countries; an influence, in short, on the part of commerce, which, as it increases in power and importance, and in an intelligent understanding of its own great interests, and the higher interests of government and society, is more likely than any thing else I am acquainted with, short of the universal sway of the simple and unaffected spirit of christianity, to put an end to all wars — such only excepted, perhaps, as may be waged for the only cause that was ever worth fighting for — the independence of nations, and the freedom of mankind. All these topics, and others that might be adverted to, which are a part, and an essential part, of the subject in hand — all of which, it would be necessary to investigate and develop, in order to show how intimately and essentially, commerce is connected with the progress of civilization — all must be passed by with the slight and very unsatisfactory notice of such as have been named and referred to all. I can do no more, in conclusion, than to commend them all, with the whole subject, to such attention and thought as they may seem to deserve. I think it must be seen, that commerce, while it has done much, very much already, to benefit the world, is still in commission as the minister and apostle of other benefits and higher advantages — that there is not an interest in the whole range of life and society, to which its influence does not, or may not, reach, in one way or another, and to which it is not, or may not, in some degree, be of essential service. Education, religion, freedom, morality — the diffusion of wealth — the diffusion of the useful and ornamental arts — the diffusion of knowledge — the dissemination of religious light and truth — the extension and cultivation of taste and refinement — a free, happy, and improving personal intercourse between country and city, between different parts of the same country, and between different countries — these things are all of them more or less within the province of commerce — at least, none of them are wholly beyond its power and influence. Let its influence be felt, then, not as it must be in spite of itself, but as it may be by exerting it. The carrying-trade of the world is in the hands of commerce; but let her carry as she has done, and more abundantly, other commodities than those which are bought and sold — in her broad beak, let her carry the olive, to drop it among men, wherever there are victors over moral degradation to be crowned, or wherever there is strife or contention to be healed; and under her strong white wings, and in the volumes of vapor which she breathes forth, let her bear ample stores of ripe seeds, like the down which is borne on the wind, to scatter them broadcast wherever she

moves; seeds which shall spring up in green plants, in bud and blossom, in flower and fruit, to feed the growth of improvement in all forms — the growth of virtue and intelligence, of taste and civilization, in all lands.

Nor are other departments of life and industry, as all are to participate in the humanizing advantages of a growing and extended commerce, without a deep interest in its successes and its prosperity. Of course, commerce, as I have said, cannot flourish without their aid. That aid, however, is to be supplied through increased activity and enterprise in their own proper spheres. It is the beautiful order and arrangement of Providence, that those who labor assiduously in their own callings, promote in the end the general advantage much more effectually, than could be done by any direct interference with the proper pursuits of others. The prosperity of a community, and its advance in improvement and happiness, are not committed exclusively to single hands, or to particular classes. Every profession and every employment has its share assigned it in so great a work. Eloquence has its share; instruction has its share; invention has its share; literature has its share; and labor, in its thousand forms, has its full share. The same great end is always in view, or it should be, to make men at once wiser and happier. And, though he may not know it, the workman with the hammer, and the smith that smites the anvil, labor effectively — it may be in an humble degree — for this same cause of human advancement; and the pale student and the learned doctor can do no more, and do no better, than labor for the same cause. No people can become and continue refined and intellectual, unless their physical wants and comforts are fully provided for; and hence, the very ditcher himself is no unimportant actor in this universal drama. And, perhaps, there is no one lesson in life more necessary to be learned than this: that men are every where mutually dependent on each other, and so are trades and occupations; that they deserve each others respect, however widely separated their spheres of action, and need each others sympathy, confidence, countenance, and support; that all are embarked in the same broad bottom — borne on the same heaving tide — the same bending sky over them all, and the same port and haven forever before them all; that those who work the ship, and those who command — those who tug at the ropes and set the sails, and those who calculate her latitude and hold the tiller, are all, and equally, indispensable to the success of the voyage; and that the prosperity and the happiness of the whole company will be promoted and secured, just in proportion as all, in their own proper spheres, shall perform their own proper duties, with resolution, with promptness, and with scrupulous fidelity.

ART. III.—ACCUMULATION, PROPERTY, CAPITAL, AND CREDIT.

An Address, delivered before the Mercantile Library Association, at the Odeon, in Boston, September 13th, 1838. By EDWARD EVERETT.

THE association, the celebration of whose eighteenth anniversary gave occasion to this address, is, we believe, the oldest of the kind in our country, though, as might be expected, from the relative extent of the two cities, inferior in its resources and in the number of its members to that which has been so successfully established here. We cannot allude to these institutions,

without expressing our admiration of the spirit and manly feeling to which they are indebted for their origin. Their purpose, and it is an elevated one, is to withdraw the members from the influence of the feeling and habits which are the natural result of the routine of all professional pursuits; to illustrate those pursuits by philosophical observation and inquiry; to take up the conduct of education at that stage of its progress, where our ordinary guides leave us at our own disposal. In the mercantile profession, the advantages of such institutions are more obvious than in any other; under their influences, the merchant, if he be not numbered among the princes of the earth, may become what is still loftier and better—the intelligent friend of social advancement, the benefactor of his race.

We are persuaded that we cannot better instruct and gratify our readers, than by transferring to our pages the greater portion of this admirable discourse. No intelligent reader in our country would willingly confess himself unacquainted with the writings of Mr. Everett, nor require any description of the beautiful power by which he illuminates every subject that he touches. It is one of the finest characteristics of his eloquence, that fervid and lofty as it is, we never see it employed to throw a seductive coloring over extravagant positions or wild theories; the reader is not compelled to condemn what he admires; and if he wonders, it is only at the wide and various learning with which every topic is treated, and the originality which all assume beneath a master's hand.

In this address, Mr. Everett has done that for the science of political economy, which its professors have too generally failed to do; he has shown the direct, immediate, indispensable application of its principles to the ordinary business of life. It will be well for those who have been led to regard this science as unsettled in its principles, and unsatisfactory in its results, to study the illustration which is here given of the importance of those principles, in relation equally to the individual, and to the society of which he is a member. Many of them may be surprised to find that what they have been in the habit of regarding as fraught with danger, or deserving only of reproach, is but the seeming evil from which good may be educed.

In the beginning of the address, the author declares its object to be the discussion of a few of the elementary topics connected with commerce; in reference to which, there are some prevailing errors, and on which it is important to form correct judgments. These topics are, accumulation, property, capital, and credit; and they are successively treated in a manner which would be spoiled by an attempt at abbreviation. Certain we are, that no reader will complain of the copiousness of our extracts.

I. Some attempts have been made of late years to institute a comparison between what have been called the producing and the accumulating classes, to the disadvantage of the latter. This view I regard as entirely erroneous. Accumulation is as necessary to farther production, as production is to accumulation; and especially is accumulation the basis of commerce. If every man produced, from day to day, just so much as was needed for the day's consumption, there would of course be nothing to exchange; in other words, there would be no commerce. Such a state of things implies the absence of all civilization. Some degree of accumulation was the dictate of the earliest necessity; the instinctive struggle of man to protect himself from the elements and from want. He soon found—such is the exuberance of nature, such the activity of her productive powers, and such the rapid development of human skill—that a vast deal more might be accumulated than was needed for bare subsistence.

This, however, alone, did not create commerce. If all men accumulated equally and accumulated the same things, there would still be no exchanges. But it soon appeared, in the progress of social man, that no two individuals had precisely the same tastes,

powers, and skill. One excelled in one pursuit, one in another. One was more expert as a huntsman, another as a fisherman; and all found that, by making a business of some one occupation, they attained a higher degree of excellence than was practicable, while each one endeavored to do every thing for himself. With this discovery, commerce began. The Indian, who has made two bows, or dressed two bear-skins, exchanges one of them for a bundle of dried fish or a pair of snow-shoes. These exchanges between individuals extend to communities. The tribes on the sea-shore exchange the products of their fishing for the game or the horses of the plains and hills. Each barter what it has in excess, for that which it cannot so well produce itself, and which its neighbors possess in abundance. As individuals differ in their capacities, countries differ in soil and climate; and this difference leads to infinite variety of fabrics and productions, artificial and natural. Commerce perceives this diversity, and organizes a boundless system of exchanges, the object of which is to supply the greatest possible amount of want and desire, and to effect the widest possible diffusion of useful and convenient products. The extent to which this exchange of products is carried in highly-civilized countries, is truly wonderful. There are probably few individuals in this assembly who took their morning's meal this day, without the use of articles brought from almost every part of the world. The table on which it was served was made from a tree which grew on the Spanish Main or one of the West-India islands, and it was covered with a table-cloth from St. Petersburg or Archangel. The tea was from China; the coffee from Java; the sugar from Cuba or Louisiana; the silver spoons from Mexico or Peru; the cups and saucers from England or France. Each of these articles was purchased by an exchange of other products — the growth of our own or foreign countries — collected and distributed by a succession of voyages, often to the farthest corners of the globe. Without cultivating a rood of ground, we taste the richest fruits of every soil. Without stirring from our fireside, we collect on our tables the growth of every region. In the midst of winter, we are served with fruits that ripened in a tropical sun; and struggling monsters are dragged from the depths of the Pacific ocean to lighten our dwellings.

As all commerce rests upon accumulation, so the accumulation of every individual is made by the exchanges of commerce to benefit every other. Until he exchanges it, it is of no actual value to him. The tiller of a hundred fields can eat no more, the proprietor of a cloth factory can wear no more, and the owner of a coal mine can sit by no hotter a fire, than his neighbors. He must exchange his grain, his cloth, and his coal, for some articles of their production, or for money, which is the representative of all other articles, before his accumulation is of service to him. The system is one of mutual accommodation. No man can promote his own interest without promoting that of others. As in the system of the universe every particle of matter is attracted by every other particle, and it is not possible that a mote in a sunbeam should be displaced without producing an effect on the orbit of Saturn, so the minutest excess or defect in the supply of any one article of human want, produces an effect — though of course an insensible one — on the exchanges of all other articles. In this way, that Providence which educes the harmonious system of the heavens out of the adjusted motions and balanced masses of its shining orbs, with equal benevolence and care furnishes to the countless millions of the human family, through an interminable succession of exchanges, the supply of their diversified and innumerable wants.

II. In order to carry on this system of exchanges, it is necessary that the articles accumulated should be safe in the hands of their owners. The laws of society for the protection of property were founded upon the early and instinctive observation of this truth. It was perceived, in the dawn of civilization, that the only way in which man could elevate himself from barbarism, and maintain his elevation, was by being secured in the possession of that which he had saved from daily consumption, this being his resource for a time of sickness, for old age, and for the wants of those dependent upon him, as well as the fund out of which, by a system of mutually beneficial exchanges, each could contribute to the supply of the wants of his fellow-men. To strike at the principle which protects his earnings or his acquisitions, — to destroy the assurance that the field which he has enclosed and planted in his youth will remain for the support of his advanced years — that the portion of its fruits which he does not need for immediate consumption will remain a safe deposit, under the protection of the public peace — is to destroy the life-spring of civilization. The philosophy that denounces accumulation, is the philosophy of barbarism. It places man below the condition of most of the native tribes on this continent. No man will voluntarily sow that another may reap. You may place a man in a paradise of plenty on this condition, but its abundance will ripen and decay unheeded. At this moment, the fairest regions of the earth — Sicily, Turkey, Africa, the loveliest and most fertile portions of the East, the regions that, in ancient times, after feeding their own numerous and mighty cities,

nourished Rome and her armies — are occupied by oppressed and needy races, whom all the smiles of heaven and the bounties of the earth cannot tempt to strike a spade into the soil, farther than is requisite for a scanty supply of necessary food. On the contrary, establish the principle that property is safe, that a man is secure in the possession of his accumulated earnings, and he creates a paradise on a barren heath; alpine solitudes echo to the lowing of his herds; he builds up his dykes against the ocean, and cultivates a field beneath the level of its waves, and exposes his life fearlessly in sickly jungles and among ferocious savages. Establish the principle that his property is his own, and he seems almost willing to sport with its safety. He will trust it all in a single vessel, and stand calmly by while she unmoors for a voyage of circumnavigation around the globe. He knows that the sovereignty of his country accompanies it with a sort of earthly omnipresence, and guards it as vigilantly, in the loneliest island of the Antarctic sea, as though it were locked in his coffers at home. He is not afraid to send it out upon the common pathway of the ocean, for he knows that the sheltering wings of the law of nations will overshadow it there. He sleeps quietly, though all that he has is borne upon six inches of plank on the bosom of the unfathomed waters; for even if the tempest should bury it in the deep, he has assured himself against ruin, by the agency of those institutions which modern civilization has devised for the purpose of averaging the losses of individuals upon the mass.

III. It is usual to give the name of capital to those accumulations of property which are employed in carrying on the commercial, as well as the other business operations of the community. The remarks already made will enable us to judge, in some degree, of the reasonableness of those prejudices, which are occasionally awakened at the sound of this word. Capital, is property which a man has acquired by his industry, or has, under the law of the land, become possessed of in some other way; and which is invested by him in that form, and employed in that manner, which best suit his education, ability, and taste. No particular amount of property constitutes capital. In a highly prosperous community, the capital of one man, like the late Baron Rothschild, at London, or of Stephen Girard, at Philadelphia, may amount to eight or ten millions; the capital of his neighbor may not exceed as many dollars. In fact, one of these two extraordinary men, and the father of the other, passed from one extreme to the other in this scale of prosperity; and the same law which protected their little pittance at the outset, protected the millions amassed by their perseverance, industry, and talent.

Considering capital as the mainspring of the business operations of civilized society — as that which, diffused in proportionate masses, is the material on which enterprise works, and with which industry performs its wonders, equally necessary and in the same way necessary for the construction of a row-boat and an Indiaman, a pair of shoes and a rail-road — I have been at some loss to account for the odium which at times has been attempted to be cast on capitalists, as a class; and particularly for the contrast in which capital has been placed with labor, to the advantageous employment of which it is absolutely essential.

I have supposed that some part of this prejudice may arise from the traditions of other times, and the institutions of other countries. The roots of opinion run deep into the past. The great mass of property in Europe, at the present day, even in England, is landed property. This property was much of it wrested from its original owners, by the ancestors of its present possessors, who overran the countries with military violence, and despoiled the inhabitants of their possessions; or still worse, compelled them to labor as slaves, on the land they had once owned and tilled as free men. It is impossible, that an hereditary bitterness should not have sprung out of this relation, never to be mitigated, particularly where the political institutions of society remain upon a feudal basis. We know from history, that after the Norman invasion, the Saxon peasantry, reduced to slavery, were compelled to wear iron collars about their necks, like dogs, with the names of their masters inscribed upon them. At what subsequent period, from that time to this, has any thing occurred to alleviate the feelings growing out of these events? Such an origin of the great mass of the property, must place its proprietors in some such relation to the rest of the community, as that which exists between the Turks and Rayas, in the Ottoman empire, and may have contributed to produce an hereditary hostility on the part of the poor, toward the rich, among thousands who know not, historically, the origin of the feeling.

It is obvious, that the origin of our political communities, and the organization of society among us, furnish no basis for a prejudice of this kind against capital. Wealth, in this country, may be traced back to industry and frugality; the paths which lead to it, are open to all; the laws which protect it, are equal to all; and such is the joint operation of the law, and the customs of society, that the wheel of fortune is in constant revolution, and the poor in one generation, furnish the rich of the next. The rich man, who treats poverty with arrogance and contempt, tramples upon the ashes of his

father or his grandfather; the poor man, who nourishes feelings of unkindness and bitterness against wealth, makes war with the prospects of his children, and the order of things in which he lives.

A moment's consideration, will show the unreasonableness of a prejudice against capital, for it will show that it is the great instrument of the business movements of society. Without it, there can be no exercise on a large scale of the mechanic arts, no manufactures, no private improvements, no public enterprises of utility, no domestic exchanges, no foreign commerce. For all these purposes, a twofold use of capital is needed. It is necessary, that a great many persons should have a portion of capital; as for instance, that the fisherman should have his boat; the husbandman, his farm, his buildings, his implements of husbandry, and his cattle; the mechanic, his shop, and his tools; the merchant, his stock in trade. But these small masses of capital, are not alone sufficient for the highest degree of prosperity. Larger accumulations are wanted to keep the smaller capitals in steady movement, and to circulate their products. If manufactures are to flourish, a very great outlay in buildings, fixtures, machinery, and power, is necessary. If internal intercourse is to diffuse its inestimable moral, social, and economical blessings through the land, canals, rail-roads, and steam-boats, are to be constructed at vast expense. To effect these objects, capital must go forth like a mighty genius, bidding the mountains to bow their heads, and the valleys to rise, the crooked places to be straight, and the rough places plain. If agriculture is to be perfected, costly experiments in husbandry must be instituted by those who are able to advance, and can afford to lose the funds which are required for the purpose. Commerce, on a large scale, cannot flourish without resources adequate to the construction of large vessels, and their outfit for long voyages, and the exchange of valuable cargoes. The eyes of the civilized world are intently fixed upon the experiments now making to navigate the Atlantic by steam. It is said that the Great Western was built and fitted out at an expense of near half a million of dollars. The success of the experiment will be not more a triumph of genius and of art, than of capital. The first attempts at the whale-fishery, in Massachusetts, were made from the South Shore and the island of Nantucket, by persons who went out in small boats, killed their whale, and returned the same day. This limited plan of operations, was suitable for the small demands of the infant population of New England. But the whales were soon driven from the coast; the population increased, and the demand for the product of the fisheries proportionably augmented. It became necessary to apply larger capitals to the business. Whale ships were now fitted out at considerable expense, which pursued this adventurous occupation from Greenland to Brazil. The enterprise thus manifested awoke the admiration of Europe, and is immortalized in the well known description, by Burke. But the business has grown, until the ancient fishing grounds have become the first stations on a modern whaling voyage; and capitals are now required sufficient to fit out a vessel for an absence of forty months, and a voyage of circumnavigation. Fifty thousand dollars are invested in a single vessel; she doubles Cape Horn, ranges from New South Shetland to the coasts of Japan, cruises in unexplored latitudes, stops for refreshment at islands before undiscovered, and on the basis, perhaps, of the capital of an individual house, in New Bedford or Nantucket, performs an exploit which, sixty or seventy years ago, was thought a great object to be effected by the resources of the British government. In this branch of business, a capital of twelve or fifteen million of dollars is invested. Its object is to furnish us a cheap and commodious light, for our winter evenings. The capitalist, it is true, desires an adequate interest on his investment; but he can only get this by selling his oil at a price at which the public are able and willing to buy it. The "overgrown capitalist," employed in this business, is an overgrown lamplighter. Before he can pocket his six per cent., he has trimmed the lamp of the cottager, who borrows an hour from evening to complete her day's labor, and has lighted the taper of the pale and thought-worn student, who is "outwatching the bear," over some ancient volume.

In like manner the other great investments of capital — whatever selfish objects their proprietors may have — must, before that object can be attained, have been the means of supplying the demand of the people for some great article of necessity, convenience, or indulgence. This remark applies peculiarly to manufactures carried on by machinery. A great capital is invested in this form, though mostly in small amounts. Its owners, no doubt, seek a profitable return; but this they can attain in no other way than by furnishing the community with a manufactured article of great and extensive use. Strike out of being the capital invested in manufactures, and you lay upon society the burden of doing by hand all the work which was done by steam and water, by fire and steel; or it must forego the use of the articles manufactured. Each result would in some measure be produced. A much smaller quantity of manufactured articles would be consumed, that is, the community would be deprived of comforts they

now enjoy; and those used would be produced at greater cost by manual labor. In other words, fewer people would be sustained, and those less comfortably and at greater expense. When we hear persons condemning accumulations of capital employed in manufactures, we cannot help saying to ourselves, is it possible that any rational man can desire to stop those busy wheels, — to paralyze those iron arms, — to arrest that falling stream, which works while it babbles? What is your object? Do you wish wholly to deprive society of the fruit of the industry of these inanimate but untiring laborers? Or do you wish to lay on aching human shoulders the burdens which are so lightly borne by these patient metallic giants? Look at Lowell. Behold the palaces of her industry side by side with her churches and her school-houses, the long lines of her shops and warehouses, her streets filled with the comfortable abodes of an enterprising, industrious, and intelligent population. See her fiery Sampsons roaring along her railroad with thirty laden cars in their train. Look at her watery Goliaths, not wielding a weaver's beam like him of old, but giving motion to hundreds and thousands of spindles and looms. Twenty years ago, and two or three poor farms occupied the entire space within the boundaries of Lowell. Not more visibly, I had almost said not more rapidly, was the palace of Alladin, in the Arabian tales, constructed by the genius of the lamp, than this noble city of the arts has been built by the genius of capital. This capital, it is true, seeks a moderate interest on the investment; but it is by furnishing to all who desire it the cheapest garment ever worn by civilized man. To denounce the capital which has been the agent of this wonderful and beneficent creation, — to wage war with a system which has spread and is spreading plenty throughout the country, what is it but to play in real life the part of the malignant sorcerer in the same eastern tale, who, potent only for mischief, utters the baleful spell which breaks the charm, heaves the mighty pillars of the palace from their foundation, converts the fruitful gardens back to their native sterility, and heaps the abodes of life and happiness with silent and desolate ruins?

It is hardly possible to realize the effects on human comfort of the application of capital to the arts of life. We can fully do this, only by making some inquiry into the mode of living in civilized countries in the middle ages. The following brief notices, from Mr. Hallam's learned and judicious work, may give us some distinct ideas on the subject. Up to the time of Queen Elizabeth in England, the houses of the farmers in that country consisted of but one story and one room. They had no chimnies. The fire was kindled on a hearth of clay in the centre, and the smoke found its way out through an aperture in the roof, at the door, and the openings at the side for air and light. The domestic animals — even oxen — were received under the same roof with their owners. Glass windows were unknown, except in a few lordly mansions, and in them they were regarded as moveable furniture. When the dukes of Northumberland left Alnwick castle to come to London for the winter, the few glass windows, which formed one of the luxuries of the castle, were carefully taken out and laid away, perhaps carried to London, to adorn the city residence. The walls of good houses were neither wainscoted nor plastered. In the houses of the nobility the nakedness of the walls was covered by hangings of coarse cloth. Beds were a rare luxury. A very wealthy individual would have one or two in his house: rugs and skins laid upon the floor were the substitute. Neither books nor pictures formed any part of the furniture of a dwelling in the middle ages; as printing and engraving were wholly unknown, and painting but little practised. A few inventories of furniture, dating from the fifteenth century, are preserved. They afford a striking evidence of the want of comfort and accommodation in articles accounted by us among the necessities of life. In the schedule of the furniture of a Signor Contarini, a rich Venetian merchant living in London in 1481, no chairs nor looking-glasses are named. Carpets were unknown at the same period: their place was supplied by straw and rushes, even in the presence chamber of the sovereign. Skipton castle, the principal residence of the Earls of Cumberland, was deemed amply provided in having eight beds, but had neither chairs, glasses, nor carpets. The silver plate of Mr. Fermor, a wealthy country gentleman at Easton, in the sixteenth century, consisted of sixteen spoons, and a few goblets and ale-pots. Some valuations of stock-in-trade in England, from the beginning of the fourteenth century, have been preserved. A carpenter's consisted of five tools, the whole valued at a shilling; a tanner's, on the other hand, amounted to near ten pounds, ten times greater than any other, — tanners being at that period the principal tradesmen, as almost all articles of dress for men were made of leather.

We need but contrast the state of things in our own time with that which is indicated in these facts, to perceive the all-important influence on human comfort of the accumulation of capital, and its employment in the useful arts of life. As it is out of the question for the government to invest the public funds in the branches of industry necessary to supply the customary wants of men, it follows that this must be done by

private resources and enterprise. The necessary consequence is, that the large capital required for these operations must be furnished by the contributions of individuals, each possessing a portion of the stock, or by a single proprietor.

It is rather remarkable that the odium, of which all capital in large masses has sometimes been the subject, should be directed more against the former, — namely, joint-stock companies, — than against large individual capitals. This, however, appears to be the fact. Some attempts have been made to organize public sentiment against associated wealth, as it has been called, without reflecting, as it would seem, that these associations are the only means by which persons of moderate property are enabled to share the profits of large investments. Were it not for these associations in this country, no pursuit could be carried on, except those within the reach of individual resources; and none but very rich persons would be able to follow those branches of industry, which now diffuse their benefits among persons of moderate fortune. In which part of this alternative a conformity with the genius of our political institutions exists, need not be labored.

But whether the masses of capital necessary to carry on the great operations of trade, are derived from the association of several, or from the exclusive resources of one, it is plain that the interest of the capital, however formed, is identical with that of the community. Nobody boards, — every thing is invested or employed, and directly or indirectly, is the basis of business operations.

It is true that when one man uses the capital of another, he is expected to pay something for this privilege. But there is nothing unjust or unreasonable in this. It is inherent in the idea of property. It would not be property, if I could take it from you and use it as my own without compensation. That simple word, it is *mine*, carries with it the whole theory of property and its rights. If my neighbor has saved his earnings, and built him a house with it, and I ask his leave to go and live in it, I ought in justice to pay him for the use of his house. If, instead of using his money to build a house in which he permits me to live, he loans me his money, with which I build a house for myself, it is equally just that I should pay him for the use of his money. It is his, not mine. If he allows me to use the fruit of his labor or skill, I ought to pay him for that use, as I should pay him if he came and wrought for me with his hands. This is the whole doctrine of interest. In a prosperous community, capital can be made to produce a greater return than the rate of interest fixed by law. The merchant who employs the whole of his capital in his own enterprises, and takes all the profit to himself, is commonly regarded as a useful citizen; it would seem unreasonable to look with a prejudiced eye upon the capitalist, who allows all the profits of the business to accrue to others, asking only legal interest for his money, which they have employed.

Without, however, pursuing this comparison among different classes of capitalists, let us farther endeavor, by an example, to illustrate the question, whether they ought in any view to be regarded as exerting an unfriendly influence on the labors of the community. Take, for instance, such a case as Mr. Stephen Girard, a great capitalist, who united in his person the merchant and the banker, and who may be spoken of plainly, as he has passed away — the solitary man — and left no one to be grieved with the freedoms which are taken with his memory. This remarkable person began life without a farthing, and left behind him a property, whose actual value amounted to seven or eight millions of dollars, and this acquired in the latter half of his life. He told me himself, that at the age of forty, his circumstances were so narrow that he was employed as the commander of his own sloop, engaged in the coasting trade between New York or Philadelphia and New Orleans; adding, that on a certain occasion, he was forty-five days in working his way up from the Balize to the city. Few persons, I believe, enjoyed less personal popularity in the community in which he lived, and to which he bequeathed his princely fortune. If this proceeded from defects of personal character, it is a topic which we have no occasion to discuss here. We are authorized only to speak of the effect upon the public welfare of the accumulation of such a fortune in one man's hands. While I am far from saying that it might not have been abused by being made the instrument of a corrupt and dangerous influence in the community, I have never heard that it was so abused by Mr. Girard; and, on general principles, it may perhaps be safely said, that the class of men qualified to amass large fortunes by perseverance and exclusive devotion to business, by frugality and thrift, are not at all likely to apply their wealth to ambitious or corrupt designs. As to the effect in all other points of view, I confess I see nothing but public benefit in such a capital, managed with unrelaxing economy; one half judiciously employed by the proprietor himself in commerce; the other half loaned to the business community. What better use could have been made of it? Will it be said, divide it equally among the community; give each individual in the United States a share? It would have amounted to half a dollar each for man, woman, and child; and, of course, might as well have been sunk in the

middle of the sea. Such a distribution would have been another name for annihilation. How many ships would have furled their sails, how many warehouses would have closed their shutters, how many wheels, heavily laden with the products of industry, would have stood still, how many families would have been reduced to want, and without any advantage resulting from the distribution!

Let me not be misunderstood. I regard equality of condition and fortune as the happiest state of society, and those political institutions as immeasurably the wisest and best, which tend to produce it. All laws which have for their object to perpetuate large estates, and transmit them from generation to generation, are at war with the constitution of man. Providence has written a statute of distributions on the face of nature and the heart of man; and whenever its provisions are contravened by political enactments, a righteous conjuration to subvert them springs up in the very elements of our being. My proposition is only, that, in a country like this, where the laws forbid hereditary transmission, and encourage equality of fortune, accumulations of capital, made by industry, enterprise, and prudence, employed in active investments, without ministering to extravagance and luxury, are beneficial to the public. Their possessor becomes, whether he wills it or not, the steward of others; not merely, as in Mr. Girard's case, because he may destine a colossal fortune after his decease for public objects, but because, while he lives, every dollar of it must be employed in giving life to industry, and employment to labor. Had Mr. Girard lived in a fashionable part of the city, in a magnificent house; had he surrounded himself with a troop of livered domestics; had he dazzled the passers by with his splendid equipages, and spread a sumptuous table for his "dear five hundred friends," he would no doubt have been a more popular man. But in my apprehension he appears to far greater advantage, as a citizen and a patriot, in his modest dwelling and plain garb, appropriating to his personal wants the smallest pittance from his princely income; living to the last in the dark and narrow street in which he made his fortune, and when he died, bequeathing it for the education of orphan children. For the public, I do not know that he could have done better; of all the men in the world, he probably derived the least enjoyment from his property himself.

IV. I have left myself scarce any room to speak on the subject of credit. The legitimate province of credit is to facilitate and to diffuse the use of capital, and not to create it. I make this remark with care, because views prevail on this subject exaggerated and even false; which, carried into the banking system, have done infinite mischief. I have no wish whatever to depreciate the importance of credit. It has done wonders for this country. It has promoted public and private prosperity; built cities, cleared wildernesses, and bound the remotest parts of the continent together with chains of iron and gold. These are wonders, but not miracles; these effects have been produced not without causes. Trust and confidence are not gold and silver; they command capital, but they do not create it. A merchant in active business has a capital of twenty thousand dollars; his credit is good; he borrows as much more; but let him not think he has doubled his capital. He has done so only in a very limited sense. He doubles the sum on which for a time he trades; but he has to pay back the borrowed capital with interest; and that, whether his business has been prosperous or adverse. Still, I am not disposed to deny that, with extreme prudence and good management, the benefit to the individual of such an application of credit is great; and when individuals are benefitted, the public is benefitted. But no capital has been created. Nothing has been added to the pre-existing stock. It was in being — the fruit of former accumulation. If he had not borrowed it, it might have been used by its owner in some other way. What the public gains, is the superior activity that is given to business by bringing more persons, with a greater amount and variety of talent, into action.

These benefits, public and private, are not without some counterbalancing risks; and with the enterprising habits and ardent temperament of our countrymen, I should deem the formation of sound and sober views on the subject of credit, one of the most desirable portions of the young merchant's education. The eagerness to accumulate wealth by trading on credit, is the disease of the age and country in which we live. Something of the solidity of our character and purity of our name has been sacrificed to it. Let us hope that the recent embarrassments of the commercial world will have a salutary influence in repressing this eagerness. The merchants of the country have covered themselves with lasting honor abroad, by the heroic fidelity with which they have, at vast sacrifices, fulfilled their obligations. Let us hope that hereafter they will keep themselves more beyond the reach of the fluctuations in business and the vicissitudes of affairs.

But it is time to close these general reflections. We live at a period when the commerce of the world seems touching a new era; a development of energies before un-

conceived. Columbus discovered a new continent; modern art has diminished by one half its distance from the old world. The application of steam to the navigation of the ocean seems about to put the finishing hand to that system of accelerated communication, which began with steamboats along the coast, and canals and railroads piercing the interior. The immediate effect of this improvement must be a vast increase of the intensity of international communication. The ultimate result can be but dimly foreseen. Let us trust that it will give renewed vigor to the march of civilization; that it will increase the comforts of those who now enjoy its blessings, — and extend these blessings to the forlorn children of the human family, who are at present deprived of them.

Whatever may take place in this respect; whether or not the navigation of the Atlantic ocean by steam vessels is to be generally adopted as the mode of communication, commerce, no doubt, in virtue of other causes of ascertained and unquestioned operation, is on the eve of acquiring an activity beyond all previous example. As in all former ages it has been one of the most powerful agents in shaping the destinies of the human race, it is unquestionably reserved for still higher functions. I confess, that I look myself for some great results, to be produced by the new forces in motion around us. When we contemplate the past, we see some of the most important phenomena in human history intimately — I had almost said mysteriously — connected with commerce. In the very dawn of civilization, the art of alphabetical writing sprang up among a commercial people. One can almost imagine that these wonderfully convenient elements were a kind of short-hand, which the Phœnician merchants, under the spur of necessity, contrived for keeping their accounts; for what could they have done with the hieroglyphics of the Egyptian priesthood, applied to the practical purposes of a commerce which extended over the known world, and of which we have preserved to us such a curious and instructive description by the prophet Ezekiel? A thousand years later, and the same commercial race among whom this sublime invention had its origin, performed a not less glorious part as the champions of freedom. When the Macedonian madman commenced his crusade against Asia, the Phœnicians opposed the only vigorous resistance to his march. The Tyrian merchants delayed him longer beneath the walls of their sea-girt city, than Darius at the head of all the armies of the East. In the succeeding centuries, when the dynasties established by Alexander were crumbling, and the Romans in turn took up the march of universal conquest and dominion, the commercial city of Carthage, — the daughter of Tyre, — afforded the most efficient check to their progress. But there was nowhere sufficient security for property in the old world, to form the basis of a permanent commercial prosperity. In the middle ages, the iron-yoke of the feudal system was broken by commerce. The emancipation of Europe from the detestable sway of the barons, began with the privileges granted to the cities. The wealth acquired in commerce afforded the first counterpoise to that of the feudal chiefs who monopolized the land, and in the space of a century and a half, gave birth to a new civilization. In the west of Europe, the Hanse towns; in the east, the cities of Venice, Genoa, the ports of Sicily and Naples, Florence, Pisa, and Leghorn, begin to swarm with active crowds. The Mediterranean, deserted for nearly ten centuries, is covered with vessels. Merchants from the Adriatic explore the farthest east: silks, spices, gums, gold, are distributed from the Italian cities through Europe, and the dawn of a general revival breaks on the world. Nature, at this juncture, discloses another of those mighty mysteries, which man is permitted from age to age to read in her awful volume. As the fulness of time approaches for the new world to be found, it is discovered that a piece of steel may be so prepared, that it will point a steady index to the pole. After it had led the adventurers of Italy, Spain, and Portugal, to the utmost limits of the old world, — from Iceland to the South of Africa, — the immortal Discoverer, with the snows and the sorrows of near sixty years upon his head, but with the fire of immortal youth in his heart, placed himself under the guidance of the mysterious pilot, bravely followed its mute direction through the terrors and the dangers of the unknown sea, and called a new hemisphere into being.

It would be easy to connect with this discovery almost all the great events of modern history, and, still more, all the great movements of modern civilization. Even in the colonization of New-England, although more than almost any other human enterprise the offspring of the religious feeling, commercial adventure opened the way and furnished the means. As time rolled on, and events hastened to their consummation, commercial relations suggested the chief topics in the great controversy for liberty. The British Navigation Act was the original foundation of the colonial grievances. There was a constant struggle to break away from the limits of the monopoly imposed by the mother country. The American navigators could find no walls nor barriers on the face of the deep, and they were determined that paper and parchment should not shut

up what God had thrown open. The moment the war of independence was over, the commercial enterprise of the country went forth like an uncaged eagle, who, having beaten himself almost to madness against the bars of the prison, rushes out at length to his native element, and exults as he bathes his undazzled eye in the sunbeam, or pillows his breast upon the storm. Our merchants were far from contenting themselves with treading obsequiously in the footsteps even of the great commercial nation from which we are descended. Ten years had not elapsed from the close of the revolutionary war, before the infant commerce of America had struck out for herself a circuit in some respects broader and bolder than that of England. Besides penetrating the remotest haunts of the commerce heretofore carried on by the trading nations of Europe — the recesses of the Mediterranean, the Baltic, and the White seas — she displayed the stars and the stripes in distant oceans, where the Lion and the Lilies never floated. She not only engaged with spirit in the trade with Hindostan and China, which had been thought to be beyond the grasp of individual capital and enterprise, but she explored new markets on islands and coasts before unapproached by modern commerce.

Such was the instantaneous expansion of the youthful commerce of America. The belligerent condition of Europe for a time favored the enterprise of our merchants; wealth began to pour into their coffers; and they immediately took that place in the community to which events and the condition of the country called them. Independence found us, in a great measure, destitute of public establishments; the eyes of the people were unconsciously turned to the merchants, as the chief depositories of large masses of disposable wealth; and they promptly stood forth as public benefactors. It may certainly be said without adulation, that the merchants of Massachusetts have sustained this character as honorably as their fellow-citizens in any part of the Union. In all the great enterprises for public improvement, in all our establishments for religious, moral, literary, and charitable purposes, the genial patronage of commerce has been steadily felt. Our merchants have indeed been princes, in the pure and only republican sense of the word, in bestowing princely endowments on the public institutions; and to him who asks for the monuments of their liberality, we may say, as of the architect of St. Paul's, "Look around you." In every part of the old world, except England, the public establishments, the foundations for charity, education, and literary improvement, have been mostly endowed by the sovereign; and costly private edifices are generally the monuments of an opulence which had its origin in feudal inequality. If displays of wealth are witnessed in our cities, it is wealth originally obtained by frugality and enterprise; and of which a handsome share has been appropriated to the endowment of those charitable and philanthropic institutions, which are the distinguishing glory of modern times.

The address closes with a series of brilliant and beautiful sketches of the city of Boston, at three different periods of its history, drawn with a graphic power, of which few such examples are elsewhere to be found. It is a reviving spectacle, to see men of distinguished ability, turn aside for a moment, from the arduous engagements of political life, to devote their powers to the task of instructing and improving others; and the portion of this address which we have cited, will abundantly show, that this task has been, in the present instance, executed with admirable talent and success.

ART. IV.—"COMMERCIAL TRAVELLERS."

Not an uninteresting feature of the internal traffic of Great Britain, is the system commonly styled commercial travelling. This institution, though now in its wane, is still exercised to a very considerable extent throughout the United Kingdom. Almost every commercial house there, of any note, employs one or more agents, whose business it is to travel about the country and procure custom for their principals. The commercial traveller, (as the agent is denominated,) is generally a young and very shrewd individual, possessing great suavity of manner, and a remarkable

ability to suit himself readily to all the varied moods of his very various customers. Furnished by his principals with choice samples of their goods, he steps into his chaise or the stage, and with a light heart commences his circuit. It is not considered unusual if nearly a year elapses before he returns to his employers. At each town upon his route, he tarries at the principal inn, where he is sure to find a hearty welcome. After thus ensconcing himself in comfortable quarters, he arranges his samples, and, if it be forenoon, puts them under his arm and issues forth to visit the shopkeepers in the place. Wherever he goes, he is met with cordiality. Like all travellers, he is full of anecdote, and has at his command the rarest news of the time. None are more glad to see him than the shopkeepers' wives and daughters. To these he imparts the most recent scandal and the latest fashions, and affords them subjects for gossip, until his next visit to the town. To the tradesman he lauds his samples with all the eloquence and ingenuity of which he is capable, and seldom leaves them without making considerable bargains in behalf of his principals. He then collects monies due on former purchases, and if in convenient shape, forwards the funds, together with his customers' orders for goods, by mail, to his employers.

Nearly the whole of the country trade is managed by the commercial travellers. Each has his list of customers, who recognise his house only in him. Of them his *principals* are comparatively ignorant. To the discretion of the agent, it is left to determine who shall have credit, and to what amount that credit shall extend. By personal acquaintance with the men with whom he has to deal, and knowing how they stand in their own community, the agent is enabled to do a safer business for his employers than they could by *correspondence*, as practised in the United States. We, here, do business very loosely in this regard. It is not unfrequent that simple orders on our Northern merchants, from persons at the West, for goods on long credit, are duly honored, and this without the sellers having any security whatever of the ability and good faith of the purchasers. Some chances and risks are necessarily consequent on trade, but this hap-hazard manner of giving credit tends to characterize trading as a species of gambling. It may, with truth, be said, that such gross carelessness does not prevail to an extent that would warrant its being called a *characteristic* of American trade; still it is a *trait*, and one that should be eradicated. Actual recklessness in giving credit is not a common fault with us, but a lack of due carefulness certainly is. It should be amended, if we would secure entire stability to the credit system. The error, trivial as it may be considered by some, is a weapon in the hands of those who are opposed to this best principle of commerce. Let us not put arms into the hands of our opponents. In lauding the observance of caution in giving credit, I do not wish to be misunderstood. Caution too often grows into cowardice. I have seen retailers refused credit by wholesale merchants, because they possessed but little *capital*. The best reputation for business-tact, industry and integrity, (a capital more to be esteemed than one of dollars,) availed them nothing. This fault is to be deprecated quite as much as the other. Honesty and close application to business is, in the aggregate, better surety for the debtor's faithful discharge of the claims of the creditor, than any capital can be.

This is a trifling digression, natural enough, but not to be persisted in. To return to our subject. As Commercial Travelling has its benefits, so also has it its evils; and if its merits and demerits are weighed against each other, the first will kick the beam. In the first place it may be urged, that it is not

legitimately the province of the seller to carry his shop to the buyer. (As in truth he does when he sends to him his salesman and patterns.) It is reversing the natural order of things. It tends to demean the seller, and to create an inequality between the parties, honorable to neither.

Another objection to this description of agency is, that it invests the agents with undue control. The principals are necessarily obliged to give them free rein, and cannot always check them at discretion. Every travelling agent holds no inconsiderable portion of the funds, as well as the credit and reputation of his house, at his beck, and his slightest dereliction from the duty which he owes it, must, of course, influence all these unfavorably. As before stated, the customers know his house only in him, and it would require but little adroitness, on his part, to transfer their patronage wherever he listed. This influence is often times abused. The natural, respective powers of principal and agent are confounded, and it is too often the case that the latter is dictator to the former. It is unnecessary to cite other objections to this description of trade, as it must be evident already, that it is a departure from the natural course. It is a diverticle, too, which is injurious to the character of commerce; tending, as it does, to debase it to the same estimation in which it was held in the feudal ages, and to render the name of merchant and trader synonymous with terms of contempt. In nowise can it be sanctioned by a clear-headed policy, and now that the communication between town and city is made so easy by the means of steam, there is no reason why it should not fall into entire disuse.

Notwithstanding this unfavorable opinion of commercial travelling, it is not the purpose of the writer to decry the gentlemen who are the agents. He could not do so with any justice. With a few exceptions, they are an intelligent, conscientious, whole-souled company. Generous, convivial, and full of anecdote, the mercantile agent is a good companion, and his conversation never fails to make glad and jocund the society of that otherwise dullest of places, an English stage coach. In his continuous journeying about the country, he has mixed with all classes, and gleaned information of varied kind — humorous and grave, light and substantial. His temperament is mercurial, and he readily adapts himself to the company which he is in; but if there be one place at which he feels more at home than another, that place is at the dinner-table, where he meets his professional fellows. There are generally as many as five or six, and sometimes more than twice that number, of commercial travellers, in every town, tarrying only so long a time as will suffice them to accomplish their business there. These stop at the same inn, and eat together in a room apart from the ordinary. As the forenoon is devoted exclusively to business, they take their ease after dinner, and linger over their wine. In the evening, some of their customers drop in, a circle is formed, and the waning hours are forgotten in the recital of story and anecdote, the cracking of brittle jests, and the enjoyment of good wine and cigars. As none are more cordially received than the mercantile agents, so are there none who travel with more security. They frequently have considerable sums of money about them when journeying, but instances of robbery being committed upon them are very rare; and this in a country where highwaymen have enacted so many feats, admits of some surprise.

One of the very few cases of such felonious depredation, that have come to my knowledge, is one in which a Mr. D——, an agent for a large house in London, connected with the coffee-trade, was the sufferer. The affair was

managed very ingeniously on the part of the robber, and is deserving of a brief relation.

One cold night, in the January of 1816, the hospitably huge fire-place of the best room of the best inn in —, was surrounded by a jovial company, composed of commercial travellers and their customers of the town. The air of solid comfort which pervaded the scene, was heightened by its contrast with the cheerless aspect of the weather without, and the complacent manner with which each guest quaffed from his mug of flip, and gave a bland reflection to his neighbor's smile, told that the pleasantness of the situation was not unappreciated. All were overflowing with jest and story, but the most amusing member of the party was a gentlemanly looking person, rather smaller than the common size of men, and frank and open in his address. He gave his name as Morris, and (from remarks thrown out, as if casually, by himself, and from that fact alone, for of those present, not one had ever seen him previous to that time) he was supposed to be the agent of a new Liverpool house. There was a rich, racy humor, and a power of imitation and description, about the man, allied to a knowledge of the light and dark spots in human nature, which lent to the stories that he told a fascination winning entire attention. Identifying himself for the moment with the character, whose deeds and words he was narrating, he would seem at times the artless Scotch lassie, the Yorkshire lout, the rude sailor, the querulous beldame, and the blundering Irishman, &c. changing from one to another with a chameleon-like facility; but his *chef d'œuvre* in this kind of narration, was a story of a finished freebooter, who accomplished much in his line of business, by first insinuating himself into the confidence of his intended victims, in the guise of a gentleman. His personation of the easy impudence of the gentlemen of the road, was characteristic and excellent. When he had concluded, however, his "freebooter" was good-humoredly criticised by the Mr. D——, (before alluded to,) whose flip had made him flippant. He insisted that Morris had made but a "tame bird" of his hero, instead of a "roystering, rough-handed, ribald rogue," as in nature, and swore with a laugh, that he could enact the highwayman better himself. Morris rejoined in the same good natured way, that were it not so late, and the calls of Somnus less inviting, he would try a little competition of the kind with him, and let the company then present decide which was the better of the two. However, he professed to think that an opportunity might yet occur, as they should probably meet again on the road at sometime or another. The company laughed heartily at the joke, and drinking sundry parting toasts, each of which were denominated as they were given, the *very* last, retired for the night. Mr. D—— was fain to maintain his equilibrium, by accepting the arm of Morris to his bed-room. Before he bade the latter a good night, he had, in drunken bravado, defied all the highwaymen in christendom, and in confidence pointed out to his new friend a secret pocket in his coat, containing a brace of small pistols loaded, and a considerable amount of money in gold. In the morning, several of the travellers departed in their own vehicles. Mr. D—— was to take a seat in a stage, but being invited by Morris to take a seat in his chaise, concluded to go with him, as their routes were alike. During the ride of the first few miles, D——'s good opinion of his companion suffered no diminution, but it immediately fell below *par*, when in a lonesome part of the road, Morris presented a pistol in juxtaposition with his head, and begged leave to borrow the funds then in his possession. The altered mien and determined look of the man, as well as his own instinc-

tive assurance that he was in earnest, left no doubt in the mind of the poor agent of the other's character. He determined, however, not to comply with the rascal's request, without an effort to save his money for loans more *profitable*. With the pretence of producing the desired funds, he seized one of his pistols from his pocket, and snapped it at the head of the robber. It flashed, but did not explode. The quondam Morris laughed, and mockingly remarked, as the other grasped at the remaining weapon, that he was obliged to him, but he was sufficiently helped, and that the contents of his *pocket* would be equally acceptable, and much more effective, than those of his pistols, inasmuch as the last were *empty*; which was not the case with the pocket, it being well charged with gold. He explained the failure of the weapons to discharge, by saying that lest accident should befall the esteemed friend, whom he had the pleasure of addressing, he had availed himself of the information given him on the evening previous, and *drawn* the *charges* from both of the pocket pistols. In effecting this friendly measure, he had noticed, with great satisfaction, that his friend had the wherewithal to make him the loan, which he now desired receiving without delay. As his fingers, he said, were rather tremulous, and the *persuader*, into the muzzle of which his esteemed friend did him the honor to blink, had a hair-trigger, he begged leave respectfully to suggest the expediency of a speedy delivery of all his funds. Mr. D—— cursed the other's impudence, and with an ill grace gave up his money. He also handed his watch to the robber, but it was returned to him, with a petition that he would keep it in remembrance of the "tame bird." The poor, plucked agent, remembered his boasting of the previous evening, and ground his teeth with vexation. After he had alighted from the chaise, he was asked by his *eccentric* acquaintance, whether or not he thought it would be necessary to find *referees* to decide which was the better highwayman of the two. Before he could answer, the robber was driving at a rapid rate towards the London road, and he was left to pursue his journey on foot. It is needless to state, that poor D—— never again sought to rival a freebooter.

ART. V.—NATHANIEL BOWDITCH.*

OF all the various branches of intellectual pursuit, that science which explains the system of the universe, and reveals the mechanism of the heavens, must always take the lead as the most sublime and marvellous; and the foremost and most successful cultivators of this science will always be classed among the greatest of men. What, indeed, can be more astonishing, than that a being like one of us, endowed apparently with no higher or different powers, should be able to obtain so minute and accurate a knowledge of those distant planets, and be as well acquainted with their constitution, elements, and laws, as the geologist, the chemist, the botanist, with the appropriate objects of their sciences? Nothing gives us so exalted an idea of the power of man, and the extent and reach of his capacities, as his ability to calculate, with unerring precision, the distances of those twinkling orbs, to determine their figures, magnitudes, and velocities, to measure their weight, estimate

* This brief sketch has been condensed from the Rev. ALEXANDER YOUNG's excellent Discourse, on the Life and Character of Dr. Bowditch.

their relative attractions and disturbing forces, delineate their orbits, register their laws of motion, fix the times of their revolution, and predict the periods of their return. To a common mind, uninstructed in the science, there is nothing that appears so much like divine wisdom. A Galileo, a Kepler, a Newton, seem to him to belong to another race, a higher order of beings. They appear to possess some additional faculties.

Nothing can be more certain than the doctrines of astronomy. They rest on impregnable foundations, on the demonstrations of mathematical evidence, than which nothing, except the evidence of consciousness, can be more satisfactory and conclusive. It was a science that early engaged the notice of men, and, to its honor be it spoken, it has always exerted a purifying and elevating influence on its votaries. Indeed, how could it be otherwise? Who can look upon those brilliant points, and not fancy them the spangled pavement of a divine abode? There is virtue as well as poetry and philosophy in them. They shed down a healing and restorative influence upon their worshippers. They are the symbols of endurance and perpetuity.

Death has recently deprived our country of one of its noblest ornaments. One who confessedly stood at the head of the scientific men of this western continent. His position as a public man, the various posts and offices he filled, and especially the value of his works to the advancement of science, the improvement of navigation, and the security of commercial enterprises, justify the notice which we now propose to take of his life and character. There was much in that life instructive and encouraging, particularly to the young, the friendless, the poor. There was much in that character worthy of eulogy and imitation.

NATHANIEL BOWDITCH was born at Salem, Massachusetts, on the 26th day of March, 1773. He was the fourth child of Habakkuk and Mary Ingersoll Bowditch. His ancestors, for three generations, had been shipmasters, and his father, on retiring from that perilous mode of hard industry, resumed his original trade of a cooper, by which he gained a scanty and precarious subsistence for a family of seven children.

When Nathaniel was two or three years old, his father's family removed to the neighboring town of Danvers, where he attended a dame's school, and acquired the first simple elements of learning. Even at this early period, he was observed to manifest those peculiar powers and traits of character, by which, in after life, he was distinguished. The sisters of his schoolmistress, who are still living, speak of him as "a likely, clever, thoughtful boy, who learnt amazing fast, because his mind was fully given to it; learning came natural to him."

After leaving the dame's school, the only other instruction he ever received, was obtained at the common schools of his native town, which were wholly inadequate to furnish even the ground work of a respectable education. We have heard it stated, on the authority of one of his schoolfellows, that the master of one of these schools, gave young Bowditch, when he was about seven or eight years old, a very difficult sum in arithmetic to perform. His scholar went to his desk, and soon afterwards brought up his slate with the question solved. The master, surprised at the suddenness of his return, asked him who had been doing the sum for him; and on his answering, "nobody—I did it myself," he was disposed to give him a severe chastisement for *lying*, not believing it possible that he could, of himself, without any assistance, perform so difficult a question. This indignity, however, he escaped, by the interposition of his elder brother.

But the advantages of school, such as they were, he was obliged to forego at the early age of ten years, "his poverty and not his will consenting," that he might go into his father's shop and help to support the family. He was soon, however, transferred as an apprentice to a ship-chandler, and afterwards became a clerk in a large establishment of the same kind, where he continued until he went to sea, first as clerk, afterwards as supercargo, and finally as master and supercargo jointly. It was whilst he was an apprentice in the ship-chandler's shop, that he first manifested that strong bent, or what is commonly called an original genius, for mathematical pursuits. Every moment that he could snatch from the counter, was given to the slate. An old gentleman, who used frequently to visit the shop, said to his wife, one day, on returning home, "I never go into that shop but I see that boy ciphering and figuring away on his slate, as if his very life depended upon it; and if he goes on at this rate, as he has begun, I should not at all wonder if, at last, in the course of time, he should get to be an almanac-maker!" — this being, in his view, the summit of mathematical attainment. This expectation was speedily fulfilled; for in the year 1788, when he was only fifteen years old, he actually made an almanac for the year 1790, containing all the usual tables, calculations of the eclipses, and even the customary predictions of the weather.

From his earliest years, he seems to have had an ardent love of reading, and he has been heard to say that, even when quite young, he read through the whole of Chambers's Encyclopedia, in two large folio volumes, without omitting a single article.

It was my good fortune, says Mr. Young, some years since, in one of those familiar interviews with him in his own house, with which I was favored, to hear him narrate, in detail, a history of his early life; and I remember, very distinctly, his relating the circumstance which led him to take an interest in the higher branches of mathematical science. He told me, that in the year 1787, when he was fourteen years old, his elder brother, who followed the sea, and was attending an evening school, for the purpose of learning navigation, on returning home one evening, informed him that the master had got a new way of doing sums and working questions; for, instead of the figures commonly used in arithmetic, he employed the letters of the alphabet. This novelty excited his curiosity, and he questioned his brother very closely about the matter; who, however, did not seem to understand much about the process, and could not tell how the thing was done. But the master, he said, had a book, which told all about it. This served to inflame his curiosity; and he asked his brother whether he could not borrow the book of the master and bring it home, so that he might get a sight at it. (It should be remembered that, at this time, mathematical books of all sorts were scarce in this country. In the present multitude of elementary works on the subject, we can hardly conceive of the dearth that then prevailed.) The book was obtained. It was the first glance he had ever had at algebra. "And that night," said he, "I did not close my eyes." He read it, and read it again, and mastered its contents, and copied it out from beginning to end. Subsequently he got hold of a volume of the Philosophical Transactions of the Royal Society of London, which he treated pretty much in the same summary way, making a very full and minute abstract of all the mathematical papers contained in it; and this course he pursued with the whole of that voluminous work. He was too poor at this time to purchase books, and this was the only mode of getting

at their results, and having them constantly at hand for consultation. These manuscripts, written in his small, neat hand, and filling several folio and quarto volumes, are now in his library, and, in my opinion, are the most curious and precious part of that large and valuable collection.

He began the study of the Latin language, by himself, Jan. 4, 1790, when he was seventeen years old. The first Latin book that he undertook to read, was Euclid's Geometry. He afterwards read, and made a complete translation, of Newton's Principia; and subsequently acquired the French, Spanish, German, and Italian languages.

On the 11th of January, 1795, at the age of twenty-two, he sailed on his first voyage as captain's clerk, though nominally second mate of the ship; and continued to follow the sea for nine years, in the capacity of supercargo and captain, till December 25, 1803; making, in all, five voyages, four of which were to the East Indies. On his second voyage, the ship touched at Madeira, where the captain and supercargo were very politely received by Mr. Pintard, the American consul there, to whose house the ship was consigned, and were frequently invited to dine with his family. Mrs. Pintard had heard from another American shipmaster that the young supercargo was "a great calculator," and she felt a curiosity to test his capacities. Accordingly, she said to him one day at dinner, "Mr. Bowditch, I have a question which I should like to have you answer. Some years since," naming the time, "I received a legacy in Ireland. The money was there invested, and remained some time on interest; the amount was subsequently remitted to England, where the interest likewise accumulated; and lately the whole amount has been remitted to me here. What sum ought I to receive?" She of course mentioned the precise dates of the several remittances, as she went along. Mr. Bowditch laid down his knife and fork, said it was a little difficult, on account of the difference of currency and the number of the remittances; but squeezing the tips of his fingers, he said, in about two minutes, "The sum you should receive is £843 15s. 6½d." "Well, Mr. Clerk," said Mrs. Pintard to the head clerk of the house, an elderly person, who was esteemed a very skilful accountant, "you have been figuring it out for me on paper; has he got it right?" "Yes, Madam," said the clerk, taking his long calculation out of his pocket, "he has got it exactly. And I venture to say, that there is not another man on the island that can do it in two hours."

In the course of these voyages, it was Mr. Bowditch's practice to interest himself in all the sailors on board, and to take pains to instruct all who could read and write, in the principles of navigation; and he never appeared so happy as when he could inspire the sailor with a proper sense of his individual importance, and of the talents he possessed, and might call into action. In this he was remarkably successful; and at Salem, it was considered the highest recommendation of a seaman, that he had sailed in the same ship with Mr. Bowditch, and this fact alone was often sufficient to procure for him an officer's berth.

The quiet and leisure of the long East India voyages, when the ship was lazily sweeping along under the steady impulse of the trade-winds, afforded him fine opportunities for pursuing his mathematical studies, as well as for indulging his taste for general literature. What he once learned he ever afterwards remembered, and it may be mentioned as an instance of the singular tenacity of his memory, that on reading Mr. Prescott's splendid History of the Reign of Ferdinand and Isabella, he remarked, that many of

the incidents in it were quite familiar to him, he having once read the great work of Mariana on the History of Spain, in the original language, in the course of one of his voyages. The French mathematician, Lacroix, acknowledged to a young American, that he was indebted to Mr. Bowditch for communicating many errors in his works, which he had discovered in these same long India voyages.

On the day previous to his sailing on his fourth voyage in 1799, he was called on by Mr. Edward M. Blunt, then a noted publisher of charts and nautical books at Newburyport, and was requested by him to continue the corrections which he had previously commenced on John Hamilton Moore's book on navigation, then in common use on board our vessels. This he consented to do; and in performance of his promise he detected such a multitude of errors, that it led to the construction of "The New American Practical Navigator," the first edition of which he issued in the year 1807; a work abounding with the actual results of his own experience, and containing simpler and more expeditious formulas for working the nautical problems. This work has been of immense service to the nautical and commercial interests of this country. Had Dr. Bowditch never done any thing else, he would still, by this single act, have conferred a lasting obligation upon his native land. Just consider the simple fact, that every vessel that sails from the ports of the United States, from Eastport to New Orleans, is navigated by the rules and tables of his book. And this has been the case nearly ever since its publication, thirty-seven years ago. It is, we are informed, extensively used in the British and French navies. Notwithstanding the competition of other English and American works on the subject, the "Practical Navigator" has never been superseded. It has kept pace with the progress of nautical science, and incorporated all its successive discoveries and results; and the last edition, published in 1837, contains new tables and other improvements, which will probably secure its undivided use by our seamen for years to come.

The extraordinary mathematical attainments of the young sailor soon became known, and secured to him the notice of our most distinguished men, and likewise the deserved, yet wholly unexpected, honors of the first literary institution in the land. In the summer of 1802, his ship lying wind-bound in Boston harbor, he went out to Cambridge to attend the exercises of Commencement Day; and whilst standing in one of the aisles of the Church, as the President was announcing the honorary degrees conferred that day, his attention was aroused by hearing his own name called out as a Master of Arts. The annunciation took him wholly by surprise. He has been heard to say, that that was the proudest day of his life; and that of all the distinctions which he subsequently received from numerous learned and scientific bodies, at home and abroad, (among which may be mentioned his election as a Foreign Member of the Royal Society of London,) there was not one which afforded him half the pleasure, or which he prized half so highly, as this degree from Harvard. It was, indeed, his first honor, his earliest distinction; it was not only kindly meant, but timely done; and it no doubt stimulated him to perseverance in his scientific pursuits.

In the year 1806, Mr. Bowditch published his accurate and beautiful chart of the harbors of Salem, Beverly, Marblehead, and Manchester, the survey of which had occupied him during the summers of the three preceding years. So minutely accurate was this chart, that the old pilots said he

had found out all their professional secrets, and had put on paper points and bearings which they thought were known only to themselves.

On quitting the sea, in 1803, he became the President of a Marine Insurance Company in Salem, the duties of which he continued to discharge till the year 1823, when, on the establishment of the Massachusetts Hospital Life Insurance Company, he was elected to the office of Actuary, being considered the person best qualified for this highly responsible station, from his habits of accurate calculation and rigid method, and his inflexible integrity. Immediately on accepting the office, he removed to Boston, at the age of fifty, and there spent the last fifteen years of his life. It scarcely needs to be stated that he discharged the duties of his high trust with the greatest fidelity and skill, and to the entire satisfaction of the Company. He managed its affairs with the greatest ease, although it was the largest moneyed institution in New-England, having a capital equal to ten common banks, and usually having a loan out of upwards of six millions of dollars.

Dr. Bowditch's fame, as a man of science, rests on his Translation and Commentary on the great work of the French astronomer, La Place, entitled "*Mécanique Céleste*," in which that illustrious man undertakes to explain the whole mechanism of our solar system; to account, on mathematical principles, for all its phenomena, and to reduce all the anomalies in the apparent motions and figures of the planetary bodies to certain definite laws. It is a work of great genius and immense depth, and exceedingly difficult to be comprehended. This arises not merely from the intrinsic difficulty of the subject, and the medium of proof employed being the higher branches of the mathematics,—but chiefly from the circumstance that the author, taking it for granted that the subject would be as plain and easy to others as to himself, very often omits the intermediate steps and connecting links in his demonstration. He jumps over the interval, and grasps the conclusion as by intuition. Dr. Bowditch used to say, "I never come across one of La Place's '*Thus it plainly appears*,' without feeling sure that I have got hours of hard study before me to fill up the chasm, and find out and show *how* it plainly appears." It was in the year 1815, at Salem, that he began this herculean task, and finished it in two years. The Commentary, which exceeds the original in extent, kept pace with the Translation; but whilst the publication was in hand, his alterations and additions were so numerous, that it might almost be considered a new draft of the work.

Let it not be said, in disparagement of the labors of Dr. Bowditch, that this was not an original work, but merely a translation. Suppose that it had been so. What then? Was it not still a benefaction to this country and to Great Britain, thus to bring it within the reach and compass of the American and English mind? It is truly said by an old writer, "So well is he worthy of perpetual fame that bringeth a good work to light, as is he that first did make it, and ought always to be reckoned the second father thereof." But the fact is, it is more than half an original commentary and exposition, simplifying and elucidating what was before complex and obscure, supplying omissions and deficiencies, fortifying the positions with new proofs, and giving additional weight and efficiency to the old ones; and, above all, recording and digesting the subsequent discoveries and improvements, and bringing down the science to the present time. I have heard it said that La Place, to whom Dr. Bowditch sent a list of errors which he had detected, once remarked, "I am sure that Dr. Bowditch comprehends my work, for

he has not only detected my errors, but has also shown me how I came to fall into them."

The first volume of the work was published in the year 1829, the second in 1832, and the third in 1834, each volume containing about a thousand quarto pages. The fourth volume was nearly completed at the time of his decease. He persevered to the last in his labors upon it, preparing the copy and reading the proof-sheets in the intervals when he was free from pain. The last time I saw him, says Mr. Young, a few days previous to his death, a proof-sheet was lying on his table, which he said he hoped to be able to read over and correct.

The publication of the book proved, as he anticipated, a very expensive undertaking, it being one of the largest works and most difficult of execution ever printed in this country, and at the same time one of the most beautiful specimens of typography. Although it met with more purchasers than the author ever expected, still the cost was a heavy draught on his income, and an encroachment on his little property. Yet it was cheerfully paid; and besides that, he gladly devoted his time, his talents, and may I not add, his health and his life, to the cause of science and the honor of his native land. That work is his monument. He needs no other.

In delineating the character of Dr. Bowditch, it deserves to be mentioned, first of all, that he was eminently a self-taught and self-made man. He was the instructor of his own mind, and the builder up of his own fame and fortunes. Whatever knowledge he possessed,—and we have seen that it was very great,—was of his own acquiring, the fruit of his solitary studies, with but little, if any, assistance from abroad. Whatever eminence he reached, in science or in life, was the product of his untiring application and unremitting toil. From his youth up, he was a pattern of industry, enterprise, and perseverance, suffering no difficulties to discourage, no disappointments to dishearten him.

Dr. Bowditch combined, in a very remarkable degree, qualities and habits of mind, which are usually considered incompatible and hostile. He was a contemplative, recluse student, and, at the same time, an active public man. He lived habitually among the stars, and yet, I doubt not, he seemed to many never to raise his eyes from the earth. He was a profound philosopher, and, at the same time, a shrewd practical man, and one of the most skilful of financiers. Judging from his published works, you would suppose that he could have no taste nor time for business or the world; and judging from the large concerns which he managed, and the vast funds of which he had the supervision,—involving the most complex calculations, and the most minute details,—you would say that he could have no taste nor time for study. His example is a conclusive proof and striking illustration of the fact, that there is no inherent, essential, necessary incompatibility between speculation and practice—that there need be no divorce between philosophy and business. The man most deeply engaged in affairs, need not be cut off from the higher pursuits of intellectual culture; and the scholar need not be incapacitated by his studies from understanding and engaging in the practical details of common life. In fact, they should be blended, in order to make up the full, complete man.

Dr. Bowditch was a remarkably domestic man. His affections clustered around his own fireside, and found their most delightful exercise in his own family. His attachment to home, and to its calm and simple pleasures, was, indeed, one of the most beautiful traits in his character. As Sir Thomas

More says of himself, "he devoted the little time which he could spare from his avocations abroad, to his family, and spent it in little innocent and endearing conversations, with his wife and children; which, though some might think them trifling amusements, he placed among the necessary duties and business of life; it being incumbent on every one to make himself as agreeable as possible to those whom nature has made, or he himself has singled out for, his companions in life."

His time was divided between his office and his house; and that must have been a strong attraction, that could draw him into company. When at home, his time was spent in his library, which he loved to have considered as the family parlor. By very early rising, in winter two hours before the light, "long ere the sound of any bell awoke men to labor or to devotion," and in summer, like Milton, "as oft with the bird that first rouses, or not much tardier," he was enabled to accomplish much before others were stirring. "To these morning studies," he used to say, "I am indebted for all my mathematics." After taking his evening walk, he was again always to be found in the library, pursuing the same attractive studies, but ready and glad, at the entrance of any visiter, to throw aside his book, unbend his mind, and indulge in all the gayeties of a light-hearted conversation.

There was nothing that he seemed to enjoy more than this free interchange of thought on all subjects of common interest. At such times the mathematician, the astronomer, the man of science, disappeared, and he presented himself as the frank, easy, familiar friend. One could hardly believe that this agreeable, fascinating companion, who talked so affably and pleasantly on all the topics of the day, and joined so heartily in the quiet mirth and the loud laugh, could really be the great mathematician who had expounded the mechanism of the heavens, and taken his place, with Newton, and Leibnitz, and La Place, among the great proficient in exact science. To hear him talk, you would never have suspected that he knew any thing about science, or cared any thing about it. In this respect, he resembled his great Scottish contemporary, who has delighted the whole world by his writings. You might have visited him in that library from one year's end to another, and yet, if you or some other visiter did not introduce the subject, I venture to say that not one word on mathematics would have crossed his lips. He had no pedantry of any kind. Never did I meet with a scientific or literary man so entirely devoid of cant and pretension. In conversation he had the simplicity and playfulness and unaffected manners of a child. His own remarks seemed rather to escape from his mind, than to be produced by it. He laughed heartily, and rubbed his hands, and jumped up, when an observation was made that greatly pleased him, because it was natural for him so to do, and he had never been schooled into the conventional proprieties of artificial life, nor been accustomed to conceal or stifle any of the innocent impulses of his nature.

Who that once enjoyed the privilege of visiting him in that library, can ever forget the scene? Methinks I see him now, in my mind's eye, the venerable man, sitting there close by his old-fashioned blazing wood fire, bending over his favorite little desk, looking like one of the old philosophers, with his silvery hair, and noble forehead, and beaming eye, and benign countenance; whilst all around him are ranged the depositories of the wisdom and science of departed sages and philosophers, who seem to look down upon him benignantly from their quiet places, and spontaneously and silently to give forth to him their instructions. On entering this, the noblest repository of scientific

works in the country, I almost fancy I hear him saying with Heinsius, the keeper of the library at Leyden "I no sooner come into my library, than I bolt the door after me, excluding ambition, avarice, and all such vices; and, in the very lap of eternity, amidst so many divine souls, I take my seat with so lofty a spirit and such sweet content, that I pity all the great and rich who know not this happiness."

Although mathematics was his chief and favorite pursuit, Dr. Bowditch still had a taste for general literature. He was fond of Shakspeare, and Milton, and Burns, and our own Bryant and Sprague; and remembered and could repeat whole passages from their writings.

Dr. Bowditch was a man of unsullied purity, of rigid integrity, and uncompromising principle. Through life, truth seems to have been at once the great object of his pursuit, and his ruling principle of action. "FOLLOW TRUTH," might have been the motto on his escutcheon. He was himself perfectly transparent. A child could see through him. There was no opaque-ness in his heart, any more than in his intellect. It was as clear as crystal, and the rays of moral truth were transmitted through it without being refracted or tinged. In all his intercourse and transactions, he was remarkably frank and candid. He revealed himself entirely. He had no secrets. He kept nothing back, for he had nothing to conceal. He lived openly, and talked freely, of himself, and of his doings, and of every thing that was uppermost in his mind. He never hesitated to speak out what he thought on all subjects, public and private, and he avowed his opinions of men and things with the utmost freedom and unconcern. It seemed to me that he never had the fear of man before his eyes, and that it never checked, in the least, the free and full utterance of his sentiments.

Dr. Bowditch was perfectly fair and just in the estimate which he formed of his own capacities and gifts. He did not, on the one hand, overrate his talents; nor, on the other hand, did he, as some do, with a sort of back-handed humility, purposely undervalue his powers. in order to enjoy the pleasure of being contradicted by those about him, and told that he was really a much greater man than he seemed willing to admit. "People," said he "are very kind and polite, in mentioning me in the same breath with La Place, and blending my name with his. But they mistake both me and him; we are very different men. I trust I understand his works, and can supply his deficiencies, and correct his errors, and render his book more intelligible, and record the successive advancements of the science, and perhaps append some improvements. But La Place was a genius, a discoverer, an inventor! And yet I think I know as much of mathematics as Playfair."

I have been informed, says Mr. Young, by a gentleman of Boston, that soon after his return from Europe, a few years since, he happened, in a conversation with Dr. Bowditch, to mention to him incidentally the high estimation in which he and his labors were held by men of science abroad, and told him that he had often heard his name spoken of in terms of the strongest commendation, by persons in the most elevated walks of society in England. Dr. Bowditch seemed to be sensibly affected by the statement, so that the tears glistened in his eyes. But he immediately remarked that, however flattering such testimonials might be, yet the most grateful tribute of commendation he had ever received, was contained in a letter from a backwoodsman of the West, who wrote to him to point out an error in his translation of the *Mécanique Céleste*. "It was an actual error," said he, "which had escaped my own observation. The simple fact that my work had reached the hands of

one on the outer verge of civilization, who could understand and estimate it, was more gratifying to my feelings than the eulogies of men of science, and the commendatory votes of academics."

He was a singularly modest man. He made no pretensions himself, and there was nothing that he so much despised in others. He was remarkably simple in all his manners and intercourse with the world. He put on no airs and assumed no superiority on the ground of his intellectual attainments, but placed himself on a level with every one with whom he had any concern. He revered integrity and truth wherever he found them, in whatever condition in life. He felt and showed no respect for mere wealth or rank. He fearlessly rebuked, to his face, the mean and purse-proud nabob, and "condescended to men of low estate."

Dr. Bowditch was a truly conscientious man. He was always true to his moral, as well as intellectual convictions, and followed them whithersoever they led. He had great faith in the rectitude of his moral perceptions, and in the primary decisions of his own judgment and moral sense; and he carried them forth and acted them out instantly. The word followed the thought, and the deed the feeling, with the rapidity of lightning. This straight-forwardness and frankness were among the secret causes of the remarkable influence which he confessedly exercised over the minds and judgments of others. By his honesty, as well as by his resoluteness and decision, he was the main-spring of every thing with which he was connected. By this moral influence, he controlled and swayed all men with whom he was associated. As Ben Johnson says of Lord Bacon, "*he commanded where he spoke.*"

Dr. Bowditch was a man of ardent natural feelings, and of an impetuous temperament. A venerable lady, after her first interview with him, said, "I like that man, for he is a live man." He was strong in his attachment to men and to opinions, and was not easily turned from any course of speculation or action, which he had once satisfied himself was right, wise, and good. At the same time, he always kept his mind open to evidence; and if you brought before him new facts and arguments, he would reconsider the subject, — deliberately, not hastily, — and *the next day*, perhaps, would tell you that you were in the right, and that he had altered his mind. He was sometimes quick, warm, and vehement, in expressing his disapprobation of the character or conduct of an individual, particularly if he thought that the person had practised any thing like duplicity or fraud. In such cases, his indignation was absolutely scorching and withering. But he never cherished any personal resentments in his bosom. He did not let the sun go down upon his wrath. His anger was like a cloud, which passes over the disk of the moon, and leaves it as mild and clear as before; or, as the judicious Hooker's was represented to be, "like a vial of clear water, which, when shook, beads at the top, but instantly subsides, without any soil or sediment of uncharitableness."

I will relate an incident illustrative of this remarkable trait in his character. Dr. Bowditch had been preparing a plan of the town of Salem, which he intended soon to publish. It had been the fruit of much labor and care. By some means or other, an individual in the town had surreptitiously got possession of it, and had the audacity to issue proposals to publish it as his own. This was too much for Dr. Bowditch to bear. He instantly went to the person, and burst out in the following strain: "You villain! how dare you do this? What do you mean by it? If you presume to proceed any farther in this business, I will prosecute you to the utmost extent of the law." The poor fellow cowered before the storm of his indignation, and was silent,

for his wrath was terrible. Dr. Bowditch went home, and slept on it; and the next day, hearing from some authentic source that the man was extremely poor, and had probably been driven by the necessities of his family to commit this audacious plagiarism, his feelings were touched, his heart relented, his anger melted away like wax. He went to him again, and said, "Sir, you did very wrong, and you know it, to appropriate to your own use and benefit the fruit of my labors. But I understand you are poor, and have a family to support. I feel for you, and will help you. That plan is unfinished, and contains errors that would have disgraced you and me had it been published in the state in which you found it. I'll tell you what I will do. I will finish the plan; I will correct the errors; and then you shall publish it for your own benefit, and I will head the subscription list with my name."

What a sublime, noble, Christian spirit was there manifested! This was really overcoming evil with good, and pouring coals of fire upon the poor man's head. The natural feeling of resentment, which God has implanted within all bosoms for our protection against sudden assault and injury, was overruled and conquered by the higher, the sovereign principle of conscience.

Dr. Bowditch was very familiar with the Scriptures, both of the Old and New Testaments. He had read the Bible in his childhood, under the eye of a pious mother, and he loved to repeat the sublime and touching language of Holy Writ. In his religious views he was a Unitarian. His religion was an inward sentiment, flowing out into the life, and revealing itself in his character and actions. It was at all times, and at all periods of his life, a controlling and sustaining principle. He confided in the providence and benignity of his Heavenly Father, as revealed by his blessed Son, our Lord, and had an unshaken trust in the wisdom and rectitude of all the divine appointments. He looked forward with firm faith to an immortality in the spiritual world.

Such had been the life, and such the character, of this distinguished man; and such was he to the last, through all the agonies of a most distressing illness. In the midst of health and usefulness, in the full discharge of the duties of life, and in the full enjoyment of its satisfactions, the summons suddenly comes to him to leave it. And he meets the summons with the utmost equanimity and composure, with the submission of a philosopher and with the resignation of a Christian. He certainly had much to live for—few have more—but he gave up all without repining or complaint. He said he should have liked to live a little longer, to complete his great work, and see his younger children grown up and settled in life. "But I am perfectly happy," he added, "and ready to go, and entirely resigned to the will of Providence." He arranged all his affairs, gave his directions with minuteness, and dictated and signed his last will and testament. While his strength permitted, he continued to attend to the necessary affairs of his office, and on the day previous to his death put his name to an important instrument. In the intervals of pain he prepared, as I have already remarked, the remaining copy, and corrected the proof sheets of the fourth volume of his great work, the printing of which was nearly finished at the time of his death. It was gratifying to him to find that his mind was unimpaired by disease and pain; and one day, after solving one of the hardest problems in the book, he exclaimed, in his enthusiastic way, "I feel that I am Nathaniel Bowditch still—only a little weaker."

On the morning of his death, when his sight was very dim, and his voice

almost gone, like the patriarch Jacob, he called his children around his bedside, and arranging them in the order of age, pointed to and addressed each by name, and said, "You see I can distinguish you all; and I now give you all my parting blessing. The time is come. Lord, now lettest thou thy servant depart in peace, according to thy word." These were his last words.

Soon after this he quietly breathed away his soul, and departed. "And the end of that man was peace." Such a death alone was wanting to complete such a life, and crown and seal such a character. He died on the 16th day of March, 1838, having nearly completed his 65th year.

He has built his own monument, more enduring than marble; and in his splendid scientific name, and in his noble character, has bequeathed to his country the richest legacy. The sailor traverses the sea more safely by means of his labors, and the widow's and the orphan's treasure is more securely guarded in consequence of his care. He was the Great Pilot who steered all our ships over the ocean; and though dead, he yet liveth, and speaketh, and acteth, in the recorded wisdom of his invaluable book. The world has been the wiser and the happier that he has lived in it.

He has left an example, as was intimated in the beginning of this Memoir, full of instruction and encouragement to the young, and especially to those among them who are struggling with poverty and difficulties. He has shown them that poverty is no dishonor, and need be no hinderance; and that the greatest obstacles may be surmounted by persevering industry and an indomitable will.

ART. VI.—THE STATE OF THE CURRENCY.

It is now half a century, since the great impulse given by the organization of an efficient system of general government, to the commercial energies of the United States, was first communicated. The period of time which has elapsed, has been full of important public events; many of them by no means favorable to the full development of our prosperity. There have been wars, embargoes, a depreciated paper currency, and an irregular national policy, to contend with, in almost every country with which we have had relations, as well as in our own. Yet, notwithstanding all these obstacles, the progress of the United States, as a commercial nation, has been almost uniform. The exports of the country, which, in 1790, hardly equalled in value the sum of \$20,000,000, have gone on increasing until they now amount to \$100,000,000, annually. Our population, which, at the former date, scarcely numbered 4,000,000 souls, cannot at the present moment be estimated below 16,000,000. Whilst the wealth of the community, if it can be at all measured by the amount of the currency it sets in motion, must be allowed to have enlarged even in a greater proportion still. All of this immense extension has been carried on under the agency of a system which may emphatically be denominated one of credit. The generation, in active business, has been constantly running in advance of the means actually possessed in its efforts for improving its condition; and although, occasionally, the effect of pushing the work a little too hard, must be admitted to have been for the moment injurious—yet, when we look back upon the field of action to observe results, when we consider how

much has been done, and how few and ill provided were those who had the work to do, we can scarcely fail to wonder that a doubt should exist of the value that credit has been to our community, or an idea should have been suggested that it has been an obstacle to its advance.

The passage of time has, however, been attended with important changes in our condition, not less in a positive than a relative point of view. It has raised us up, a new nation, to take a leading position in the commercial affairs of the world, acting upon principles somewhat peculiar to itself, and not altogether recognised by older and longer established ones. These principles, as they go into operation upon a daily expanding scale, are furnishing new materials for the observation of men, and new results for the science of political economy. It is a peculiarity of our countrymen in all departments of active life, rarely to take for granted that there is a limit to experiment. They are not satisfied with any instrument in ordinary use, merely because it works well, but must seek to find out whether it cannot be made to work better. This disposition has doubtless some occasional inconveniences, particularly in the fact that it often causes experience to be purchased three or four times over — but on the whole, it has advantages more than compensating. The great want in this country, is the want of power enough to develop its resources. Whatever, then, is found in any degree to serve the purpose of supplying it, whether it is a labor saving machine, or a good substitute for capital, must be considered as a useful invention. Mistakes may, and no doubt do, often occur, and many contrivances come to be abandoned after experience of their failure to yield the benefits expected of them; but on the other hand, others which prove eminently advantageous are retained, and go to enlarge the active resources of the community. Thus has the country gone on, furnishing results often at variance with the rules which abstract notions, drawn from the study of books, decide to be true, and at the same time a series of facts upon which, at some future moment, new and more sound deductions may be made.

In the midst of the progress now referred to, one thing is strikingly observable; and this is, that the subject of money, considered as a science, is acquiring tenfold greater importance in the eyes of the American public, than it has ever heretofore enjoyed. Just in proportion as the motive force becomes greater through the increase of the materials of trade, the exchanges of which are always represented by money, do the results of their movements become more palpable and astonishing to every eye. Strange and unaccountable appearances present themselves to the observation even of the most experienced, which they desire to explain. And extraordinary dangers are apprehended, to avoid or guard against which, by a recurrence to some safe and well established principles of action, always applicable in such contingencies, becomes an important object to all. Neither is the study of our financial affairs confined entirely to this side of the Atlantic. The fluctuations in our currency, and the stability of our moneyed institutions, excite interest abroad as well as at home, and are observed almost as narrowly in the banking parlors of London, the great money mart of the world, as they are upon the exchange in our own city. The doors of those very parlors are now besieged by swarms of applicants from America, for the loan of no little of their superfluous money, which the States are anxious to apply to the execution of vast schemes of internal communication. They seek for it to fill up valleys and cut down mountains, which thirty years ago would have been regarded as the possible undertaking of a tenth generation later. When

in 1811, the state of New York was applying, through De Witt Clinton and others, to the General Government at Washington, for a little assistance in executing what was then thought the stupendous work of the Erie Canal, who could have foreseen that in five and twenty years afterwards it would seem a trifle, in comparison with what not merely that state, but others of not half her size and wealth, were undertaking to do? Who could then have supposed, that she who shrunk from the proposal of applying five millions of dollars to the original plan, would be considering whether eight times that sum was too much to be devoted to the same and similar purposes? It is the recollection of such facts as these, which bring to the mind of foreigners as well as natives, something like a feeble realization of the rapidity with which we advance. The world has given no similar lesson in its history. Strong as the expression may seem, yet it is no great exaggeration after all to say, that time and space, those obstacles to industry, once regarded so impracticable to deal with, stand nearly annihilated before the force of our experience.

Yet it must be allowed that this amazing rapidity is calculated to confuse and dizzy the head most calmly employed in observing it. We can take no note of distance but by its loss; and as to the scrutiny of every particular wheel or spring that is set in motion, while all are in such constant action, the attempt is vain and fruitless. Whatever danger there may be in the path, must come, and must be met without any hope to avoid its consequences; for the people of the United States have become so habituated to swiftness of motion in their career, that they are as little conscious of it as they are of the daily revolution of the globe. We know not that the result would be greatly different, if they thought more about it. The country is generally considered as destined to furnish illustrations of the practical working of new theories in political economy as well as in government. Things unattempted yet, are the great ends which we would arrive at. And, inasmuch as the success of this policy has hitherto been unexampled, we have no right to presume that it will not continue hereafter, when more extensively followed out. Our province in America is not to dogmatise about any thing, but to observe; not to strain and twist facts into an arbitrary theory of our own, but to let the theory be drawn out from the facts by that process of philosophical induction which ascends to a general principle only, over the steps formed by the study of particulars.

It may be affirmed that there have been three eras in the progress of the United States, in wealth and resources. The first and longest was that during which the organization of the financial system of the country took place, and efforts were making to release it from the embarrassments incurred in establishing its independence. The second period passed in opening the means of internal communication between the States, and in attempts to develop the natural resources which they were believed to contain. The third and last, which is even now barely begun, appears to be likely to establish in its course the new principles by which credit and currency are hereafter to be regulated. Until the expiration of the charter of the National Bank, in 1836, the system first recommended by Hamilton, was, with a single brief interruption, that upon which the stability of our circulating medium was made to rest. It was then determined that the objections to a continuance of this system, were too serious to compensate for the advantages it furnished, and accordingly it was suffered to expire by its own limitation. The experiment was at that moment first entered upon, of letting the currency take care of itself, the ultimate value of which, although it was extremely

disastrous in its first consequences to the community, remains still to be tested by the result of a longer continued trial. The first effect of liberating the banks throughout the Union, from all idea of central control, was perceived in an expansion of their issue of bills to an amount largely upon trebling what it had before been. A rapid rise in price of all commodities liable to be affected by it, was the consequence, which stimulated gambling speculation. Credit may accelerate the formation of capital, but it can never itself be capital. This idea was not remembered in the hurry to make money; and the consequence was, that the first application of the unerring test of exchange with foreign countries, which easily recognise the difference between the two, brought on a convulsion. The banks suspended the payment of their obligations in cash, and the little gold and silver in circulation instantly disappeared. All of these events followed each other with extraordinary rapidity; the fluctuations incident to them were all experienced in turn; the distress which they create was suffered, and yet here we are, in the year of our Lord 1839, to all external appearance, recovered from the effect of every injury. Coin has again gone into circulation as money quite as much as it ever did, while the paper bills of the banks still form the great medium for effecting the exchanges of the community, as much, if not more, than they have always done—a convulsion of no ordinary character, in the estimation of all those who ever studied the subject from books, has actually passed away, if not without leaving its marks upon the fortunes of numberless private individuals, at least, making no visible alteration in the prosperity of the mass. Prices have not fallen in bringing round the change—the wages of labor are as high as ever—the returns from industry are as quickly realized—the profits of business do not fall short.

Now, we must frankly confess at once, that there is something in this, very well calculated to make students of politico-economical treatises stare. There is no such thing in the record, as the so rapid recovery of a nation from an inconvertible paper money, upon so slight a previous preparation, as was made by this one. The amount of that paper diminished during the year that cash payments were suspended, far less than it changed its character, particularly in those states where the banks had been prohibited from issuing notes under five dollars. The sum of debt actually existing, was diminished by bankruptcy, far more than by payment. Property changed hands, but it did not become the more available as it went. And yet, notwithstanding the existence of these unfailing indications of a deeply disordered pecuniary condition, most of the banks were enabled to re-assume, within a year from the time of their suspension, the performance of their engagements, and that, as it proved, with hardly a risk to themselves from the effort. And now we should like to know, how many people can be found who take bank bills in payment, the less willingly, because they have found out that they are not equally, at all times, convertible into as much gold or silver as they represent?

It is impossible to come at any adequate explanation of this phenomenon of recovery, without a close examination of all the resources to which we may have had access to produce it. Perhaps the most effectual, as it certainly was the most curious, was the extension of our credit in foreign countries, in the midst of all our distress. It now appears clearly, that whilst we at home were considering our case as very desperate, it was viewed with different eyes from abroad. The punctual payment of the interest and part of the principal of some of the loans negotiated by the States, with a liberal allowance for

the depreciation of the paper medium, sufficient to make up the full amount due in coin, was a pitch of heroism struggling against adversity, to which the experience of London bankers in Spanish bonds, or South American scrip, and even their imagination, could furnish no ready parallel. There were indications in our affairs, of a moment of excessive exhaustion, from our undertaking to do more than we were able to do, but not of enduring prostration from which no recovery could be reasonably hoped or expected. Reasoning of this kind had a tendency to raise rather than to depress the credit which the States enjoyed ; our resources became better known, as curiosity increased to examine them, our punctuality better appreciated, our commercial importance more fully established. And exactly in proportion as these favorable opinions were forming or becoming more confirmed, were the opportunities offering for testing them, by immediate investments in new American stocks. It is not easy from the data before us exactly to specify the amount of money raised in England, in this way, since the year of the suspension of specie payments, but a good idea may be formed of it, from the fact that, out of the sum of one hundred and seventy millions of dollars which the States now owe, one hundred and eight millions, or about five eighths of the whole debt, has been contracted since the year 1835. This amount, drawn in three years, is twice and a half greater than what was procured in the same manner during the five years immediately preceding, and nine times greater than in any other five years before them. It would appear, then, that the United States, commercially considered as one body, has been receiving from Europe during the last two or three years, a sum which, after all deductions made, cannot be reasonably set down at less than twenty-five millions of dollars per annum, on account of the loans of states. If to this sum there be added what cannot well be estimated, although it is known to be a considerable item ; we mean the loans furnished to private corporations, and investments in local stocks, such as that of the United States, and other banks, Railroad and Trust Companies, &c.; it is clear that, in this direction, we have been gaining a most important, although temporary resource. Indeed, one of such magnitude as when taken in connexion with a year of reduced importation, and a small curtailment of bank discounts, to be quite sufficient to account for our easy return to cash payments again.

A concurrence of circumstances has enabled the growers of the great staple of cotton in the United States, to maintain the price of that article in England, through the year, which has had no trifling effect in facilitating the re-establishment, as well as the restoration of the currency. We may then take it for granted that that restoration is, for all present purposes, tolerably complete ; and having thus examined the state of the past, we can now go on to consider the present and the future. We are not aware that a single additional precaution in legislation has been the result of the experience of the year 1837, nor that in the states generally, there has been any very material modification of the erroneous system of banking heretofore carried on. The national government stands in no respect better secured against future danger of the currency, than it did before the suspension. The soundness of bank paper depends now, exactly as it did in 1836, upon the will of the banks themselves. They may keep it good if they will listen to prudent counsels ; and they may depreciate it if they do again as they did before. We have hopes of the best, not entirely unmingled, it must be confessed, with fears for the worst.

The reasons for those fears may be very briefly enumerated thus: The

foreign loans, whilst they effectively answer the present purpose of keeping the rates of exchange with foreign countries favorable, must yet be remembered to carry with them the certainty of a heavy annual burden for the future, in the shape of interest, which will go to swell a stream that may flow the other way. And although the application of the funds thus procured to purposes of internal improvement, may be granted to be likely in the main to be beneficial to the country; it will not prevent the absorption of the metallic medium, or that shape in which they were conveyed to us, into the banking system, from which it can never again be safely withdrawn; and the substitution of paper, which cannot answer to meet demands from abroad. We are aware that this very brief suggestion of the difficulty is not sufficient to explain the idea it is meant to convey. And although transgressing the limits we proposed to occupy, without nearly terminating our views of the subject, we must sacrifice the further expression of them at present to the object of developing it more fully.

Whatever may be the positive quantity of gold and silver in the country, whether equal to \$50,000,000, or to three times that amount, one thing seems pretty clear, that a very small portion of it can be used as money of circulation, so long as the disposition exists in the banks to issue their notes instead, and this disposition is attended with a corresponding inclination on the part of the public to prefer them. The immediate effect of increasing specie, seems then to reduce itself to this, that it furnishes ready means for increasing the quantity of bank notes, until the proportion between them is arrived at, which, according to the usual notions, is regarded as safe. If a sum of \$40,000,000 of coin was considered in 1835, as justifying an issue of 120,000,000 of bills, there is no reason why the receipt of \$40,000,000 more will not justify the issue of at least \$240,000,000 of bills. So far as the United States is concerned, there is no reason for supposing any limit to exist in the amount of circulating medium, which may be used — the effect only being that the prices of all commodities and labor continue to graduate themselves to the increase. The danger from such an operation arises from the action of foreign countries, by creating a tendency to import largely of their commodities, which must be paid for by money; and that money must be gold and silver. This produces what is called an unfavorable balance of trade. The rates of exchange become high — a desire to procure gold and silver, in preference to paper, leads to an attempt to convert the latter into the former at the banks, and this in its turn involves them, and through them, the trading community, in considerable embarrassment. In ordinary times, it may be said that the great danger to the banking system is to be found in the demand which may arise for the conversion of bank notes into coin to send abroad. And thus whenever the exchanges run up so high as to make it cheaper to send coin than to send any thing else, and this state of things continues for any length of time, the whole system of bank paper issues, which we use as money, must be considered as in very great jeopardy.

Now the effect of borrowing so largely of Great Britain and other countries in Europe, as we have done during the past two or three years, is to keep the exchange between us and them for the time in our favor; and hence we are either receiving specie, or at any rate are in no danger of losing what we have. But if we receive any more specie in this manner, every body knows that it does not go into the circulation of the country, which is supplied by paper, but that it goes into the vaults of new banks, which instantly set to work to increase the sum of that paper. The effect of that in-

crease is felt in prices, and these prices in turn hasten the arrival of an unfavorable balance of trade. When this happens, however, the gold and silver which came here so easily, cannot be sent away with equal ease, because it has been made the basis of a large paper circulation, which cannot continue safely without it. And if the loans have stopped in the interval, and no artificial means can be resorted to of avoiding the crisis, it will then become necessary not merely to pay in silver and gold the amount of the actual difference between the trade of the two parts of the world, but an amount of annual interest due upon the sums theretofore borrowed superadded thereon. When it is considered that this article alone is probably equal in amount at this time to twelve or fifteen millions of dollars per annum, this view of the case may not be entirely without its importance to commercial men.

That there is at this moment going on a very rapid expansion in the issues of the banks throughout the country, can hardly be doubted. If any evidence was needed, we could quote nothing more decisive than the rise in prices of all domestic commodities. Perhaps the new experiment now commenced in our state of free banking, may be contributing, in an important degree, to this effect. There is a disposition strikingly manifest in many quarters, to adopt new theories and principles for banking, which must, in the absence of all central control, have a very extensive operation upon the future condition of the currency. Perhaps they may result in something good, and at any rate it is too early to condemn them unequivocally yet. So long as the influx of foreign capital continues, it will be difficult for any body to go wrong. But in the mean time, it may not be unadvisable for those large capitalists and wealthy institutions, which now possess all the power left in the country of regulating the currency, to consider well what they do, and how far it is expedient for them, by countenancing the spirit of speculation, to put out of their hands the means they may have of meeting a moment of danger. New York is entitled to great credit in restoring us to a specie-paying condition; and this credit, gained under adversity, she must not lose by any forgetfulness of her duty in moments of apparent prosperity.

We originally proposed to furnish to our readers some views of the nature of, and objections to, a few features of the general banking law of the state, but having already exceeded the proper limit for a single article, we must reserve what we have to say upon that subject for a future number.

ART. VII.—THEORY OF MONEY AND BANKS.

The Theory of Money and Banks investigated. By GEORGE TUCKER, Professor of Moral Philosophy in the University of Virginia, and Member of the American Philosophical Society. Boston: 1839. Charles C. Little and James Brown.

AMONG the many symptoms that are visible among us, of the increasing estimate formed of the subject of money, considered as a science, none is of a more positive nature than the production of such a work as the one before us. Professor Tucker is already well known to the public, first as having filled a seat in the house of representatives of the United States from Virginia, then as a teacher of moral philosophy in the University of that state, and still more lately as the defender and apologist of the fair fame of Thomas Jefferson,

somewhat compromised by an injudicious, but very honest publication of his manuscript papers. Yet, however respectably he may have acquitted himself in any or all of these relations, we should hardly have expected them to fit him to appear advantageously as a political economist. We can scarcely define the reason why, but the fact will admit of little contradiction, that in the particular department of money, the public in the United States has not been in the habit of looking for sound practical judgments, among the leading minds of the state of Virginia. So far as we know, since the adoption of the constitution, although she has furnished more than her proportion of distinguished public men, she has not yet produced a single financier. The theory of Mr. Jefferson, in many respects entirely anti-commercial, and the fine spun metaphysical subtleties of the strict construction school, have been hitherto far more in accordance with the temper of her population than statistical tables. Trade is in its nature consolidating, because it will not recognise arbitrary geographical lines ; it is creative of such strong common interests, wherever it once connects people in relations with one another, that local jealousies, and all narrow notions of exclusive independence, vanish before it. The ancient dominion has been nourishing her prejudices for many years at the expense of her power. It must be regarded as a sign that she is about to abandon them, when a gentleman like Professor Tucker, who has been brought up in the school of its straitest sect, is willing to avow the opinions upon credit and banking, which are to be found in this book. Forty years have made a great change in the relative position of the old states of our union ; for whilst they have thrown forward most of its northern members in population and resources immensely, they have left Virginia not much better than they found her. It is time for her citizens to awake to a true sense of their situation. A proof that they are stirring, is to be found in the legislation of the last two or three years, as well as in the work of Mr. Tucker.

We do not propose, at the present moment, to go into an extended notice of this book — more particularly of the questions of a debateable character that it contains. We are not aware that there is a single absurd or unreasonable proposition maintained in it, which is saying a great deal in this day of new-fangled theories. The author is perfectly candid, and always moderate. His plan is to sum up the argument in favor and against any important point with great fairness, and to submit his own opinion afterwards. This makes his work valuable as a text book for elementary instruction, particularly as it contains few dogmas which a scholar will have, in process of time, and often at no small cost, to unlearn. The first part, or that which treats of the precious metals, as the material for money, contains little that will not at once command assent ; and if the second, which is devoted to credit and banking, contains much that will be disputed, it is only because nothing is now admitted upon those subjects, by every body in the United States, as beyond question. The expediency of credit itself, is denied by some who, as the professor aptly remarks, would, if occasion required, equally deny the value of steamboats in Mississippi navigation. There is one thing which we like about the author, and that is, he takes no care to conceal his opinions. Although a Virginian, and of the Jefferson school, he is clearly in favor of a banking system, and a national bank. We all see plainly enough that at this time there is no prospect of the establishment of such an institution, but that is no reason why, in a fair and full examination of our system of money dealings, the propriety, and indeed the necessity of it, should not be freely displayed. Professor Tucker appears to be under no improper bias. He is not a

merchant, depending upon bank discounts, nor a politician, making denunciation of banks as stock in trade, but a retired gentleman, reflecting upon the combined lessons of theory and experience, and drawing his conclusions from his observation of results.

It is difficult to make any extracts which shall do justice to the author, inasmuch as he connects the sense in his paragraphs very closely. But as the probable operation of the present law of free banking in this state is regarded with general interest, perhaps our readers will be most curious to know what he has to say upon that. We therefore have decided to select the passage that treats of it as a specimen of his manner :

“ Another expedient which has been viewed with favor, both in this country and England, for giving stability to banks of circulation, is, to require every bank to vest a part of its capital in public stock, or, in lieu of that, in mortgages, which, being of permanent value, would secure the creditors of the bank from loss under any supposable state of pecuniary embarrassment in the country, or of imprudence in the bank. And the state of New York has lately passed a general banking law, by which the ordinary privileges of a corporation are extended to any voluntary association of individuals, who are permitted to carry on the business of banking, and to issue notes to the extent that they have previously deposited stock, or mortgages, with the comptroller of the state.

Assuredly, the less the banks lend, the less is their risk of loss; and if they keep a part of their capital employed, not in the business of banking, but invested in the public funds, or joint-stock companies, or land, they are, to that extent, exempt from the hazards of banking, but to the same extent they must forego its profits, and substitute the dividends or profits derived from these permanent investments in their stead.

This exchange may give the public additional security, or it may not. If the stock purchased was part of a public debt to a government faithful to its engagements, it would afford higher security than any loans on personal credit; but there may be no national debt, as is now the case with the United States, and there may be no public debt in the state where the bank is to be established. If, then, the money be vested in the stock of canal, rail-road, insurance, or other joint-stock companies, as has been sometimes proposed, there would be the same uncertainty of profit, and the same hazards encountered, as in the ordinary business of banking. The stockholders would certainly prefer employing their capital in discounting such paper as they approved, both for profit and safety, to vesting it in the stock of a company, over whose management they had no control; and to the creditors of the bank, the security would be the same.

Let us, however, suppose that stock issued by the states could be procured, although the bank may be somewhat more safe, yet as its profits will be proportionally diminished, it may be doubted whether capitalists will be disposed to advance their money for a bank, in which, to give greater security to the public, their means of profit are diminished, and their hazard of loss is increased. Let us see the operation of a bank on the plan proposed in New York.

We will suppose an association formed for the establishment of a bank with a capital of 2,000,000 dollars, for the whole of which the members must provide approved stock of the state to the same amount. As this is taken at its market value, it is the same to the proprietors as furnishing so much cash. For this stock they are entitled to receive notes for circulation, to the same amount, of the comptroller of the state.

But they must also provide a stock of specie. The law requires that the bank shall have in specie not less than one eighth part of its notes in circulation. Besides, they cannot get their notes into circulation without paying away a certain proportion of specie. From the moment they began to discount, a part of their notes will be returned to be converted into cash. What that proportion will be, nothing but experiment can determine. Let us, however, suppose that, for every four dollars in paper, one in silver has been required. Then to have lent out the \$2,000,000, the sum of \$500,000 was required in specie, to which must be added one eighth of the notes issued, or \$250,000, to be retained in their vaults, agreeably to the requisition of the law. In that case, their profits would be as follows :

Interest on \$2,000,000 stock, at 5 per ct.....	\$100,000
Dr. on \$2,500,000, discounted at 6 per ct.....	\$150,000
	<hr/>
	\$250,000

Which, on \$2,000,000 stock and \$750,000 specie, is something more than 9 per cent.,

from which, if we deduct 1 1-2 per cent. for expenses, would leave 7 1-2 per cent. for the net profit on the whole capital invested. The expenses, it must, however, be remembered, will be greater than in an ordinary bank, on account of its deposit stock both for legal advice, and in collecting the interest.

But, if the proportion of specie required by the bank should exceed what has been supposed, as it probably would, the dividends would be proportionally diminished. It must be recollected, that the means of circulating the notes have not been at all aided by the stock, except so far as, by increasing the public confidence, it may have extended their circulation. But this effect might be insignificant, and could not be much. Bank notes do not circulate at all, unless the public have entire confidence in the solvency of the bank that issued them; but, whatever may be the confidence, they will still be converted into specie for the various purposes of being sent or taken to a distance, of being wrought into plate and jewelry, and of being placed in another bank. It is then the \$750,000 of specie, in the case supposed, which has put and keeps in circulation the notes. This was the real banking capital. But, to suppose that this sum would be adequate to loans or discounts for \$2,500,000, or more than three times its amount, is against all experience. It might not be sufficient for more than two thirds of that amount; of course, to put the whole \$2,000,000 of notes into circulation, a much larger amount of specie will be required.

Nor is this all. The proportion of 12 1-2 per cent. of the notes in circulation for the specie—the minimum required by the law—although it might be sufficient for country banks in prosperous times, is not enough for them in ordinary times, and not enough for city banks at any time. The banks of the city of New York, on the 1st of January, 1837, when their loans were unusually great, had \$3,854,453 in specie, to a circulation of \$8,155,883; that is, 47 per cent., nearly four times as much as we have supposed. To be prepared, then, for the smallest fluctuations in the money market, the bank would find it necessary to increase the amount of its specie much above 12 1-2 per cent., and, if it should resort to the sale of its stock, in times of emergency, the same pressure for money which has driven them to this expedient will lower the market value of stock, and they may lose in one sale the amount of seven years' dividends. And, so far as real estate is substituted, the hazards of loss, as well as the expense of management, will be greatly enhanced; so that the plan does not seem calculated to invite prudent and substantial capitalists, who have no other purpose to serve than to make safe and profitable investments; in which case, the public must eventually find its best reliance is on a well-organized bank, with a capital of gold and silver, placed under the management of cautious, judicious, and experienced men."

We shall probably take an occasion very soon to go more fully into an examination of the present work, in the course of which we propose to give some ideas of our own upon the effect of the free banking law, and to controvert the opinion maintained by our author, of the expediency of more than one national bank. In the mean time, however, we freely recommend it to all who are already interested in the subject, as a work full of excellent views, and to those who desire to make themselves acquainted with it as a good guide and authority. The author has appended, also, several very valuable and convenient tables.

ART. VIII. — COMMERCE AND PROTECTION.

[We insert with pleasure the following communication, as it is our object to present to reflecting minds, both sides of a vexed question; one which has extensively agitated the country, and is destined to agitate it again; but not to so great a degree as at the time the Tariff Compromise Bill was passed by Congress, in 1833. In the interim, both parties have had time for reflection, and ultraists on both sides are now, we believe, few and far between. The South has realized the value of a domestic market for its cotton, on which it could fall back, when prices declined in Europe; and manufacturers have become convinced that extravagant and unreasonable duties are not the best protectives of home industry.]

We are in favor of a full and fair protection to our manufacturers and mechanics—to every thing which can call out the skill, and develop the resources of our country,

as contributing to our prosperity in peace, and our independence in a state of warfare. But high duties act as encouragement to reckless and injurious competition in the branches of industry they are meant to foster, and by the idea of extraordinary profits, divert labor and capital from natural and healthful channels, and the domestic productions of a country may be as injuriously increased by artificial stimulants, as imports may be made to exceed our ability to pay for, by the recklessness of commercial men, grasping at shadows, and losing the reality. The "*juste milieu*" applies to all things.

The free trade system advocated by the English theorists, is, like the majority of their manufactures, intended for exportation, and not for home use, — other nations are to furnish the raw material, but they are to have the profit on the manufactured article. There, every thing that can stimulate production, is applied with unsparing hand, until at last the system has become so complex and interwoven with the existence of the government, that like her national debt, and her privileged aristocracy, an attempt at change might shake the whole social fabric to its foundation. Fortunately for the United States, we are placed in a position in which we can select the good and reject the evil. No one interest can be built up in our republic, at the expense of another; not only the spirit of the constitution forbids it, but the state of things, as we find them, renders it impossible. The agriculturist, the manufacturer, the merchant, and the mechanic, all the productive, as well as what economists call the unproductive classes, are represented in Congress, by delegates generally chosen specially by themselves. We recognise no privileged order, but that of industry, intellect, and worth; we bow to no supremacy but that of mind; no law can be passed, unless a majority of the great interests represented, shall agree that it is of a national and advantageous character. Our growth in some particular departments may, in this way, possibly be retarded, but it is more natural and healthy. And if the great national edifice progresses less rapidly, the foundation is surer, and the proportions will be more just and beautiful.

We do not believe in the opposition of commercial men to a just protection to home industry. They have realized the value of the internal trade — the deep root taken by the manufacturing interest of the country — the importance of the coasting business — and the vast impulse which these united, give to domestic and foreign commerce.

The raising of a revenue for the support of government, by means of a Tariff, is the least onerous to all, indeed, the only one acceptable to the genius of the people, for direct taxation is out of the question; this point conceded, the only difficulty to be disposed of, is the amount of duties to be imposed on foreign commerce, commensurate to the wants of the government, and fully and fairly favoring the different branches of domestic industry; — but on this head we do not feel ourselves called on to express our opinion at the present moment.

As we have before said, the ultraists of *free trade*, are few and far between; we believe our talented friend has engaged in a fanciful contest with imaginary opponents — but as he poises a sharp and polished lance, we have no objection to let him throw it, and if he can find an ultraist any where, to let him hit him — we belong to the "*juste milieu*."]]

It has ever been the special effort of the foes of the protective system, to enlist the mercantile interest, as such, in the support of their cause. The merchants, as a body, are calculated on to furnish the vanguard of the anti-protective army, and to supply it with the sinews of war. However other classes may break or waver, they are expected to constitute an immoveable phalanx. Others may need argument and demonstration, but their anti-tariff prepossessions are assumed as a matter of instinct. To be a merchant, and to be hostile to laws for the protection of home industry, are regarded as identical.

Not that merchants are known or believed to be, in fact, universally hostile to protection. Every man's observation teaches him the contrary. It is well known to every writer on the subject, that many of the most enlightened, able, and efficient advocates of protection, have been found in the mercantile class. But the assumption of the free trade doctors avers, that commerce is, in the very nature of things, hostile to the protective system; that, though individuals may be induced to favor that system, by personal and peculiar interests, these are but eddies in the great stream of commercial feeling and in-

terest, while the current bears unequivocally and powerfully in a contrary direction. This question of fact is one of lesser moment; but that of absolute interest and policy, is one of vital importance. For, be it known to all, the great controversy of protection versus free trade, is by no means at an end. Suspended in 1833, by a nine years' truce, it will be renewed after 1842, with an intensity equal to any that this country has ever yet experienced. It must, in the nature of things, be so. The free traders, flushed by an advantage achieved for them in 1833, mainly, if not solely, by the force of circumstances wholly extraneous from the proper controversy, are running into the wildest ultraism. They are disporting their fancies in a region never adventured upon by them in the earlier stages of the controversy. Hitherto the clamor on that side has been for a reduction of imports to a revenue basis — to the measures of the fiscal wants of the government. We have already reached that point — nay, gone beyond it — and the cry is still onward. Free trade now strikes at the root of revenue duties also. No tariff — no imposts — absolute freedom of importation, is now the demand. Throw open your ports, tear down, or convert to other uses, your custom-houses — banish the very idea of customs — raise your revenue by direct taxation. Such are the present modest demands of the free trade theorists. How soon they may be extended to require the government to furnish ships for the importation, free of cost, of such foreign products as the country may prefer to its own, is a question rather out of the scope of the present essay.

Suffice it that in its present shape, the doctrine of free trade strikes at the existence of all duties on imports whatever. It will be satisfied with nothing short of this. Abolish all discriminating duties, (which was the extent of its earlier demand,) and we still have a revenue impost which, in view of the largely increased expenditures of the federal government, can hardly be estimated below twenty, certainly not below fifteen per cent. This still operates, to its extent, as a protection and a stimulus to domestic industry. It is still an eyesore and an abomination to free trade. Mordecai the Jew still sits in the king's gate, and the wrath of Haman is unsated. Nothing less than the abolition of customs and custom-houses, and the overspreading of our whole land with a locust tribe of tax-gatherers, will satisfy its urgent aspirations.

Thus, then, stands the question between the free trade theorists, and the advocates of protection; and we are now prepared to consider to which side the interests of commerce should incline its votaries. Is it commercially expedient that the great producing interests of the country be fostered and stimulated to their highest possible activity and force, or that they be left entirely to take care of themselves, and in each department to encounter the depressing and disastrous rivalry of whatever portion of the globe may be able to undersell our productions in its particular staple? Shall our producers of grain be exposed to an equal competition for their own market, with the serfs of Russia, who are content to labor for a supply of the coarsest necessities of life? Shall our cities be supplied mainly with the potatoes of Ireland, because the Irish laborer is thankful for a shilling a day, while the American receives five or six? Shall the vast manufacturing interest of this country, which gives direct employment to one fourth of its commerce and navigation, and consumes the surplus products of one half its agriculture, be exposed to certain prostration and ruin, in a competition with the older and wealthier manufacturing interests of England, France, and Germany, backed by an unlimited command of capital, at four or five per cent. per annum, and of labor at ten to forty cents a day? Is it possible that the interests of American com-

merce can be subserved by a general recklessness and wreck of all other American interests?

But it is asked, why cannot American skill and industry, like American valor and enterprise, sustain themselves in an equal competition with those of Europe? The question is based on an entire misapprehension of the subject. They *can* sustain themselves in an equal contest; and it is for that very equality we plead. They cannot engage in the combat with naked limbs and empty hands, against a mailed and armed adversary. They cannot successfully struggle, while infantile and unprotected, against the well established and protected rivalry of their most favored competitors. The peace of 1815 found American manufactures in a state of great activity, prosperity, and progress. In three years thereafter, British rivalry, most desperately pursued, had wrought their entire ruin. Protection then came to their relief, and they again revived and prospered. A few years found them, not only supplying the home market, at prices of unprecedented cheapness, but rivaling their old antagonist and former vanquisher, in the markets of South America, of China, and wherever else a fair competition was attainable. This they are still enabled to do, to the great benefit of American commerce and navigation, and will continue to do, so long as they shall enjoy a just preference and protection in the supply of the home market. But deprive them of this — place them in unequal and disadvantageous competition for foreign markets, against their rivals of Great Britain, France, and Germany, which have an exclusive home market as an assured basis for their operations, and they must inevitably wither. Human skill and management cannot withstand the double advantage thus afforded to our rivals in the command of labor at half price, and a protected market against competitors who have neither. The overthrow of protection must be a signal for the recommencement of the great national tragedy of 1815–19.

But let us keep in view the interests of commerce. What is the first element of commercial prosperity? Is it not notoriously national wealth and home production? Isolated cities have, indeed, risen suddenly to commercial eminence on the enjoyment of a lucrative carrying trade between foreign nations; but such prosperity is of necessity extremely precarious, and usually of brief duration. Its decline is as sudden as its growth. A war, an embargo, a revolution, the discovery of a cheaper channel of communication, of a new instrument of navigation, even — and Petra, Tyre, Carthage, Venice, is hurled from the summit of its fortune and its glory, leaving but crumbling ruins and desolate streets to mark the former site of commercial greatness. A flourishing and stable commerce, mainly based upon an interchange of commodities between foreign nations, is a reverie unsuited to this age of the world.

No — it is on a simple traffic of the surplus products of its own country for those of other lands, and on the exchange of commodities between different sections of our own country, that American commerce must mainly rely. Obviously then, it becomes an object of primary solicitude with our commercial interest, that the amount of our country's productions be as large as possible, and that every consistent means be employed to increase that amount. For, let the necessities and desires of our people be ever so urgent, it is evident that goods can only be purchased — at any rate, can only be paid for — to the extent of the surplus products of the country. For a single year, we might bowl merrily onward on the strength of our credit abroad; another year's deficiency might be eked out by the exportation of our stock of the precious metals, &c.; and then the game would be ended. After the interven-

tion of two or three years of prostration and distress, commerce might resume its former course, subject to the feebleness and exhaustion which a succession of excess and paralysis would be sure to induce. During the virtual suspension of commercial vitality, the consumers will have learned to dispense with or produce many articles of foreign origin for which they had formerly trusted to commerce; and the revival of trade would be marked by a sensible diminution of its value and vigor, as compared with its earlier prosperity. The highest possible incentive to home industry—the utmost practicable stimulus to domestic production—is then as essential to the well being of commerce as of any other great national interest. It is the idlest folly to fear that our country will produce so much and so variously that she will want to purchase little or nothing. Even were our wide expanse of territory made to supply abundantly all the varieties of agricultural and manufactured products of which it is capable, it is doubtful if the foreign trade of the country would be thereby reduced, while it is certain that the domestic interchange of commodities, which already forms the basis of the larger half of our commercial transactions, would be very greatly increased. Man is so constituted, that his wants increase and amplify at least in proportion to his ability to gratify them. Were all our present requirements to be henceforth supplied by domestic production, while we should retain the ability to purchase largely from foreign nations, our fancies would soon seek out new gratifications, and find different necessities, until the amount of our imports should speedily equal the measure of our abilities.

In an enlarged and enlightened view, therefore, every addition to or new development of the internal resources of the country is certain to redound to the substantial and permanent advantage of commerce, and should be hailed with gladness, and fostered if need be by its votaries. In the narrow view too commonly taken, if the United States should henceforth produce twenty-five millions' worth of silk per annum, instead of importing it, there would be a loss of so much to commerce. But practical men know that the reverse of this is true; that such production would largely increase and stimulate the mercantile business of the country, at least to the extent of the value produced, by increasing at once the ability of our citizens to pay for foreign products, and the amount of their own commodities to be interchanged through the medium of commerce. If by any line of policy, any new incentives to industry and enterprise, the amount of our country's aggregate productions could be increased one half or one fourth beyond the increase of its population, its commercial activity and prosperity must be increased in far more than an equal ratio: for the first hundred million's worth of annual production is doubtless consumed in supplying the merest and most absolute wants of the producers themselves, without entering at all into the elements of commerce; but whatever rises above that, being appropriated to the comforts and the luxuries of life, begins at once to circulate through the channels of trade; and if the present annual production of the country may be estimated at three hundred millions, the addition of one hundred millions more to that production would probably double the commercial business of the country.

The day when protection could be made a bugbear—at least in this part of the country—is over. We have tested by experience the falsity of the original foreboding, that the adoption of the protective system would destroy our commerce—at any rate, our foreign commerce—altogether. All the free trade forebodings of the early stages of this controversy have signally failed. It is not yet twenty years since a doleful anticipation was widely

entertained, that a resort to the protective policy would dry up the springs of commerce entirely, and (most melancholy to contemplate!) require the imposition of Direct Taxes for the support of the Federal Government. Now the support of government exclusively by such taxes is regarded as the perfection of national policy by the theorists of the same school. Their fears of a destruction or signal decline of commerce under the influence of the protective policy have been shown to be utterly delusive. Take the ten years when that policy was predominant—from 1824 to 1834—and its friends may safely defy its opponents to show any ten successive years when commerce was so uniformly, generally, and onwardly prosperous. The revolution of 1825 belonged to the earlier period, and was the direct result of an excess of importation over production under the auspices of “free trade.” Under an efficient protective tariff it could never have been incurred, though it might have happened under any system, as the yellow fever caught in New Orleans might be experienced in the most healthful locality.

It is high time that the commercial interest should realize more fully its intimate sympathy with the agriculture, manufactures, and production generally of the country. If these are not prosperous—nay, if they are not encouraged, and stimulated to their highest attainable activity and vigor—it will be idle to hope for and expect that commerce can flourish. They form the heart from which the life-blood must be supplied; let that be torpid, and the vital functions must cease altogether.

MERCANTILE LAW.

ART. IX. — INSURANCE — CONSULS — COMMISSION MERCHANTS — MISREPRESENTATION AS TO TONNAGE.

THE mercantile law is founded in principles which are simple in themselves, and few in number; but in their application to the business of life, the details of cases vary so much — the circumstances of each are so different, and those differences are often of so minute a character, that a most distressing uncertainty hangs over many parts of the subject, and litigation is constantly increasing among a class, the members of which have little or no bitterness of feeling towards each other, but who submit to courts of justice the determination of their rights, from a sincere desire to ascertain what they are.

This branch of the law is of peculiar interest, because mercantile causes often exhibit the best pictures that exist of the manners, customs, habits, and modes of life of distant communities. They are also valuable for historical facts, ascertained in the best possible manner, by tribunals erected for the express purpose of eliciting the truth.

It is not our purpose to present labored essays on this subject, except occasionally; but an attempt will be made to present, as they occur, the more important and interesting decisions, on subjects of interest to the merchant. Those who wish to investigate particular subjects of mercantile law, can easily do so by other means. Our immediate object is to present notices of recent decisions, not contained in the books, consequently not generally known to gentlemen of the bar even. As our articles on this subject will be compiled by legal gentlemen, and as our information will be as authentic as it is recent, it may be valuable to professional gentlemen, as well as merchants.

INSURANCE.

COLLISION. — An interesting case on this subject, was decided a short time since in Boston, in the Circuit Court of the United States. It was an action brought by *John Peters and others*, against the *Warren Insurance Company* of Boston, to recover on a policy of insurance on the ship *Paragon*, dated March 15, 1836. It appeared, that in November, 1836, the ship sailed from Gottenburg, in ballast, to procure a cargo of iron for the United States.

Whilst proceeding down the Elbe, with a pilot on board, she came in contact with a galiot, called the *Franc Anna*, and sunk her. The *Paragon* lost her bowsprit, jibboom, and anchor, and sustained other damages, which obliged her to go into Cuxhaven, a port at the mouth of the Elbe, and subject to the jurisdiction of Hamburg, for repairs.

Whilst lying there, the captain of the galiot libelled the *Paragon* in the marine court, alleging, that the loss of the vessel was caused by the carelessness or fault of those on board the *Paragon*. The ship was arrested, but subsequently released, on security being given by the agents of the owners to respond to such damages as should be awarded by the court.

The captain of the *Paragon*, in his answer, denied the charges of carelessness or fault on the part of those on board of his ship; and the court, after hearing the parties, and their proofs, decided, that the collision was not the result of fault or carelessness on either side, and that, therefore, according to article first, title eight, of the marine law of Hamburg, the loss was a general average loss, and to be borne equally by each party. That is, the *Paragon* was to bear one half of the expense of her own repairs, and to pay one half of the value of the galiot, — and the galiot was to bear the loss of one half of her own value, and to pay one half of the expense of the repairs of the *Paragon*. In conformity with this decision, a general average statement was drawn up by Mr. Oldermann, the *Depacheur* of Hamburg, an officer appointed by law, and by whom alone such statements can be prepared, and the captain of the *Paragon* was obliged to pay \$2600, which amount the owners claimed to recover of the insurers.

The defence was placed principally on the grounds, that the rule of law in existence at Hamburg, being different from what exists in this country, the underwriters were not bound by it; that this was not properly a case of general average, or of a loss by the perils insured against, but it was a loss by the peculiar and absurd provision of the laws of Hamburg, that in case of a collision between two vessels, the loss shall be apportioned between them, although there is no pretence of fault on either side.

After an elaborate argument of the points of law, Judge Story decided: —

1. That when a case of general average occurs, if it is settled in the foreign port of destination, or in any other foreign port, where it rightfully ought to be settled, the adjustment there made will be conclusive as to the items, as well as the apportionment thereof upon the various interests, although it may be different from what our own law would have made, in case the adjustment had been made on a like collision in our own ports.

2. The judge gave it as his opinion, that this was not a case of general average, but one of particular average. But the principal point in his mind was, whether the collision was a *peril of the sea*, or whether it was a mere *consequential injury*, for which the underwriters were not liable; and on this point he decided: —

3. That where a collision between two ships accidentally takes place within the dominions of a foreign power, and by the laws of that foreign power, all damages occasioned thereby are to be borne equally by the two vessels, such a collision is a peril of the seas, within the meaning of the common policy of insurance; and the underwriters are liable not only for the direct damage done to the ship insured by them, but also for the charge apportioned on such ship, as her contributory share towards the common loss, not as a general average, but as properly a part of the partial loss occasioned by the collision.

This decision being unsatisfactory to the defendants, and there being a general wish among the underwriters in Boston, that the question should be settled by the highest tribunal in the country, the cause was carried up to the Supreme Court of the United States at Washington, last winter, where the decision of Judge Story was *affirmed*. The grounds of the decision we do not know, as it has not yet been published.

GENERAL AVERAGE. On the subject of Average, several important decisions have recently been made, overruling, in some respects, opinions which have hitherto been received as correct.

In the case of *Potter v. The Ocean Insurance Company* of Boston, which was decided by Judge Story, in the Circuit Court of the United States, at the October term, 1837, it was held, that the wages, provisions, and other expenses of the voyage to a port of necessity, for the purpose of making repairs, constitute a general average. It makes no difference in the application of the principle to policies of insurance, that there happens to be no cargo on board, so that there is, in fact, no contribution to be made by cargo or by freight; for general average does not depend upon the point, whether there are different subject matters to contribute, but whether there is a common sacrifice for the benefit of all, who are, or may be, interested in the accomplishment of the voyage. Neither does it make any difference in the application of the principle, that the insurance, on which the question arises, is not for a particular voyage, but on time.

In the case of *Loring v. Neptune Insurance Company*, which was decided in the Supreme Judicial Court of Massachusetts at the March term, 1838, it was held, that a general average adjustment made in the port of destination, fairly and according to the laws of that place, is conclusive on all parties interested in the ship, cargo, and freight. This same principle was fully recognised by Judge Story in the case of *Peters v. Warren Insurance Company*, an account of which we have given above.

In the course of the trial of *Loring v. Neptune Insurance Company*, several singular provisions of the law of Hamburg respecting general average were proved. It appeared, that by a law of the city, first published by the senate in 1731, that all goods contribute in general average according to the invoice, with the charges till on board, except the premium. Each bill of lading is looked upon as a whole, and has to contribute according to the full invoice amount, without reference to any part being in a damaged state or totally destroyed. It is only when the whole contents of a bill of lading are destroyed, or so much damaged that the consignee refuses to receive them, that no contribution takes place. All goods contribute according to the full invoice value, provided they be received at all, and the receipt of any part of a bill of lading is tantamount to having received the whole.

In the above case, the bark Stag (the policy being on property on board) sailed from Matanzas for Hamburg, with a cargo of 2125 boxes of sugar, and

78 bags of coffee. Three hundred and fifty boxes of sugar were the property of the plaintiff, and were equal in value to the amount insured. On the passage, the bark sustained damage from the perils of the sea, and 88 boxes of sugar belonging to the plaintiff were totally destroyed. Fifty-two boxes were damaged over 50 per cent. of their value. The vessel having been compelled by the damages sustained to put into Bermuda for repairs, an adjustment of a general average contribution was made on her arrival at Hamburg, and the plaintiff was assessed on the invoice value of his sugars, *without any deduction or allowance made on account of that lost or damaged, as above stated*; and the amount so assessed was paid by his agent, and this action was brought to recover it of the underwriters. The underwriters paid the plaintiff the value of the sugars which were totally lost, and sixty per cent. of the value of the damaged parcel, but refused to pay the amount claimed in this action, on the ground, that the adjustment at Hamburg was incorrect, and ought to be revised. But the court decided, that although the adjustment was a singular one, yet as it was fairly made, and according to the laws of the port of destination, it was binding upon the underwriters.

SEAWORTHINESS. — In the case of *Copeland v. New England Marine Insurance Company*, which was tried in the Supreme Judicial Court in Boston in April last, it appeared, that after the vessel insured (the brig Adams, Capt. Gillespie, of Wilmington, N.C.) reached Jamaica, the captain, who had been taken sick on the outward voyage, acted in a most singular manner. He was a man of good reputation for skill and sobriety, but at that port, his conduct was very boisterous and strange; he quarrelled with his physician and his mate, and was almost constantly intoxicated. He took charge of the vessel, however, on her return voyage to Wilmington, and she was lost on the Isle of Pines. The defendants contended, that the vessel was unseaworthy, and that the loss was fraudulent on the part of the master. Judge Wilde instructed the jury, that if the master of a vessel becomes incompetent to the command, before the vessel sails from her outward port, the mate ought to take command, or have the matter inquired into by the American Consul, or the consignee or agent of the vessel; and if the vessel sails under the command of a captain who is incompetent from any cause, and if she *might have been* lost from such incompetency, the underwriters are excused, *even though a loss should happen from a cause which had no relation to the captain's incompetency*. But if the master is competent when the ship sails, but afterwards becomes incompetent, and the ship is lost from that incompetency, the underwriters are not excused. In this case, the Jury returned a verdict for the defendants. The plaintiff moved for a new trial, on the ground that the Judge misdirected the Jury, and the question will probably be argued before the whole court, at the next March term.

CONSULS.

Judge Hopkinson, of the District Court of the United States, in a recent trial of a claim for the wages of a seaman, expressed his disapprobation, in strong terms, of the practice of putting our seamen into foreign jails and dungeons, at the mercy of the police officers, for offences by no means requiring this severe and extreme remedy. For ordinary misconduct, or insubordination, the law gave the master of a vessel power sufficient to enforce obedience, and maintain discipline on board his vessel — that it is only in cases of extraordinary violence, that a man should be taken on shore

and thrown into a prison. The judge said he would take this occasion to repeat what he had more than once said before, and to correct an error into which captains continue to fall. They seem to believe that if they can get the order or consent of the consul for their proceedings, it will be full justification for them when they come home. He wished them to understand that he would judge for himself, after hearing both parties and their evidence, of the legality and necessity of these summary incarcerations; and the part the consul may have taken in them would have but little weight with him. He said he had never known an instance in which a consul had refused the application of a captain to imprison a seaman; furnishing him with a certificate, duly ornamented with his official seal, vouching for the offence of the victim, of which, generally, he knew nothing but from the representations of the captain or officers of the vessel. The judge said he never suffered their certificates to be read; that they were weaker than *ex parte* depositions. He then made some remarks that may be worthy of the attention of our government. He said, our consuls, unfortunately, are merchants depending entirely upon the profits of their commercial business for their living, especially upon consignments from the United States; that it is, therefore, of a primary importance to them to have the good will of the masters of vessels, that they may make a good report of them to their owners. He said, that an American gentleman of high intelligence, who has travelled much, and known many of our consuls, has, in the book he has published, expressed his regret that they are not supported by salaries from the public treasury. As they now are, these important appointments are placed exclusively in the hands of merchants, who, he says, "are under strong inducements to make their offices subservient to their commercial business."

In the case of *the William Harris*, decided by Judge Ware, of the District Court of the United States, in Portland, Maine, in 1837, the same doctrine was laid down; and he held, that an American Consul had no right to imprison seamen in a foreign port, and that a master who procured his men to be imprisoned without good cause, is not exempted from his liability to them for damages, by showing that the imprisonment was ordered by the Consul.

COMMISSION MERCHANTS.

The case of *Theodore D. Parker*, of Boston, v. *Brancher, Delius, & Co.*, merchants, of Hamburg, was an action in which the plaintiff claimed damages of the defendants for selling certain coffee, consigned to them by Parker, below the limit prescribed by the consignor. It appeared, that in 1832, Parker consigned to the defendants 1,640 bags of coffee, on which the latter made a large advance. Parker sent a letter of instructions limiting the sale at a certain price therein named. Afterwards, Brancher, Delius, & Co. commenced a suit against Parker, to recover the amount of their advances. When that suit was commenced, the coffee had not been sold, but having been sold pending the suit, for a sum *less than the advances and expenses and interest*, credit was given by Brancher, Delius, & Co., for the nett proceeds, and they recovered for the balance. The coffee having been sold for a sum much below the limit fixed by Parker, when he consigned it, he commenced the present action, and claimed to recover of the defendants: 1. For not selling the coffee at the limit, in 1833; 2. For afterwards selling it below the limit. At the trial, in Boston, Chief Justice

Shaw instructed the Jury, that a commission merchant having received goods to sell at a certain price, and made advances upon such goods, had a right to reimburse himself, by selling such goods at the fair market price, though below the limit, if the consignor, upon application, and after a reasonable time, refused to repay the advances.

The Jury found for the defendants, and the plaintiff moved for a new trial, on the ground that the instructions of the Judge were wrong. The full court decided in April last, that the rule laid down by the Chief Justice was correct, and they awarded judgment on the verdict.

At a very recent trial, in Boston, the question arose, whether the consignee of goods was limited to the invoiced prices, if nothing was said by the consignor. Judge Wilde said, this would depend altogether on custom among commission merchants; and that the party who set up the custom must prove it to be universal.

A most interesting case, involving a perversion of property on the part of the agents, and subjecting them, in the result, to heavy damages, was lately decided in the Supreme Judicial Court of Massachusetts, on an action of assumpsit, brought by Robert C. Hooper, of Boston, against Messrs. Casamajor, Nuiry, & Co., merchants in St. Jago de Cuba, in the West Indies, to recover damages for a breach of contract, by which the defendants had agreed to load the bark Lydia, chartered by the plaintiff, with sugar and coffee in Cuba, and despatch her for St. Petersburg, in Russia. It appeared in evidence that the arrangement was made at Boston in March, 1837, with the late John S. Gibson, one of the defendants—after which Gibson sailed for Cuba. A letter addressed to John S. Gibson was put in evidence, and the part of the letter on which the parties contended for a different construction is given *in italics*. The defendants contending that it limited the sugar to nine reals, and that if they had purchased above this rate the plaintiff, if the adventure proved unprofitable, could have thrown it upon them, and the plaintiff thought it contained no such limitation, but left it discretionary; in which opinion we concur from the phraseology and character of the letter.

“ BOSTON, March 3, 1837.

John S. Gibson, Esq.

of Messrs. Casamajor, Nuiry, & Co.

Dear Sir — I have been induced, from the favorable representations you have made to me of your market at St. Jago de Cuba and Trinidad, and from the confidence which I place in the good judgment of your highly esteemed house, to charter the fine Swedish bark Lydia, for the purpose of loading her at St. Jago, with a cargo of white sugar for St. Petersburg.

This vessel I presume will carry about 1400 boxes, and will sail from here in the course of a week. If prices of sugar should be more favorable for purchasing at Trinidad than at St. Jago, I trust you will (as you have informed me it will be quite as convenient to your house) send the bark there to load, as the only expense I can incur thereby will be the port fees at Trinidad.

You are aware how depressed the sugar market is in Europe, and that a loss appears certain unless you can buy this cargo at not exceeding nine reals per arota. I hope that your expectations of getting them at less, and of selling the exchange at a good premium, will be realized.

I would call your attention to the importance of selecting perfectly dry and strong grained sugars, and as white as possible. It is also important to get large boxes, on account of the tares in Russia.

To provide funds for this cargo, I shall send you a letter of credit on London for £6,000 sterling, which sum you are of opinion will be sufficient for the purposes of loading the vessel. If unexpectedly you are unable to procure a full cargo of white

sugars within the lay days stipulated in the charter party, you may ship, to fill her up, 300 boxes of good, dry, strong grained, yellow sugars, to be landed at Copenhagen, the bills of lading to be filled accordingly. This is the commencement of a correspondence which will continue, I trust, a long while, and lead to mutual confidence and profit. If the market at St. Jago should be as favorable as we anticipate, please to advise me immediately on your arrival, as it is my intention in that case to send another vessel to your house.

When the cargo is shipped on board the Lydia, please to ship me some 20 boxes of sugar out of the parcel she has been loaded with, and your draft on me shall meet due honor.

Wishing you a pleasant passage, I am, dear sir, yours, respectfully and truly,
R. C. HOOPER."

On the 15th March the Lydia sailed, and by her Mr. Hooper forwarded a letter of credit for £7,000 sterling, on Messrs. Morrison, Cryder, & Co., Bankers in London, stating in his letter,

"It was Mr. Gibson's opinion, that £6,000 would be ample for the purpose of loading a cargo of white sugars, and you will please, therefore, to use this credit to such extent for sugars as may be necessary, and invest the balance in green coffee, suitable for the St. Petersburg market."

On the 21st of March, and again on the 8th of April, the defendants wrote to the plaintiff, that they deemed it very doubtful whether they should be likely to load the Lydia at any thing like his ideas, and that they should probably accept a freight for her.

On the 11th of April, the Lydia arrived at St. Jago. By the charter party her lay days were to commence on the 21st of April, and continue thirty days.

On the 12th of April the defendants wrote the plaintiff, that little or nothing was doing in sugars, and that they had written to Trinidad to inquire what could be done there. "In the meantime," they say, "if we can execute here at ten rials, we shall do so, as the extent of your ideas as mentioned in the conversation with the writer."

On the 25th of April, after stating that their advices from Trinidad were equally discouraging for getting sugars at fair prices, they say, "under these circumstances, taken in connexion with what you say under date of March 3d, &c.; we cannot believe that your interest would be studied, were we to load the Lydia at over nine reals, although your conversation with Mr. Gibson authorizes us so to do."

The Lydia was not loaded for the plaintiff, but was let to freight to one Sanchez, and sailed from St. Jago for Trinidad on the 2d of May, and sixteen days afterwards the defendants wrote the plaintiff as follows:

"In conformity to our last advices, we have let Don Victoriano Sanchez have the Lydia, at the same charter you were to pay, to load here and at Trinidad a cargo of coffee and some sugar for Europe. Her wooden and foul bottom were serious objections, and we were very glad to get her off our hands as well as we have done, although we did our best to obtain for you something more. Your letter of credit for £7,000, you will of course consider null and void."

Evidence was given that Don Victoriano Sanchez was the clerk of the defendants, that his assumed ownership was fictitious, and that the cargo shipped was the property of the defendants, who were, at the time, largely indebted to Messrs. Morrison, Cryder, & Co., and that the cargo was intended for them; that on the 22d April they wrote to Morrison, Cryder, & Co., that in consequence of the great scarcity of vessels, they were prepared to see unusually low prices for the remaining two thirds of an abundant crop; that they could find no bills to remit, and they were therefore compelled to

send sugars instead of bills, while they had the letter of credit, of the plaintiff, on Morrison, Cryder, & Co., for £7,000 sterling, bills against which would have been every way satisfactory and unexceptionable.

On the 21st of April, the day the *Lydia's* lay days commenced at St. Jago, they wrote to Booring & Overbeck, at Trinidad, that in all probability the *Lydia* would go there, and take the sugars B. & O. held for the defendants; that their agents had purchased 500 boxes good sugars at 7 and 9 reals — that they had reason to believe that sugars would decline; and yet, before the first lay day commenced, they had determined to load the *Lydia* for their own account, and actually sent her away before the lay days had half expired; that she was never offered to freight, except to one person, of whom they asked £5 10s., while she was nominally let to Sanchez, but in reality appropriated to themselves, at £3 9s. per ton; that instead of a cargo of coffee and some sugars, the *Lydia* was loaded with a cargo of sugars and some coffee, precisely the cargo ordered by the plaintiff, for the St. Petersburg market; that Sanchez wrote to Booring & Overbeck, that he was the owner of the sugars they held, having purchased them from Messrs. Casamajor, Nuiry, & Co., and ordered them to ship them by the *Lydia*, which he had chartered for that purpose, and that he forwarded them copies of the identical instructions sent out by Mr. Hooper, to Messrs. Casamajor, Nuiry, & Co., as to selections of sugars, &c., which he said he had received from a friend of great experience in the Russia trade.

No new charter was ever made to Sanchez, and the captain of the *Lydia* learned for the first time, in St. Petersburg, that Mr. Hooper had no interest in the cargo. The plaintiff contending that the whole transaction on the part of the defendants was fraudulent — their advices of the prices of sugars deceptive — that they had intentionally abused his confidence, and appropriated to their own advantage, an adventure which he had planned with much care, and from which he expected large returns.

The defendants insisted, and offered evidence to prove, that the whole transaction was perfectly fair and honorable, and their conduct throughout was intended to be that of faithful agents, acting for the best interest of their employer, and in supposed accordance with his wishes; that the letter of 3d March limited the sugars to nine reals, and that if they had purchased above, they would have transcended their authority, and rendered themselves responsible to the plaintiff, who might have thrown the whole loss on them, if loss had accrued, and that it was impossible for them to have purchased the sugars at the prices named by the plaintiff, and being unable to do so, they did the best they could to save the plaintiff harmless on his charter party. That it was true that Sanchez was their clerk, and the cargo shipped on board the *Lydia* was their own; it had, however, no connexion with Mr. Hooper, and was simply a precaution on their part, of shipping in the name of another, because of the great excitement in the commercial world, and to protect themselves from loss, by failing in London; and as it had no bearing on Mr. Hooper's interest, it was a precaution they had a right to use, and of which he had no right to complain. That there was great difficulty in foreign bills at the time, and that they were unable to dispose of the plaintiff's funds satisfactorily.

On the question of damages, there was some diversity of opinion; Mr. S. T. Williams estimated the sum actually made by the defendants, at about \$6,000, and that if the sugars had been purchased at nine reals, and sold as directed by the plaintiff, at St. Petersburg, the profit would have been about

\$18,000. Gen. Tyler estimated the profit at about \$9,000, supposing the cargo to have been laid in at 9 reals.

The cause was tried at great length, commencing on Wednesday, and terminating on Saturday. On Monday morning, Judge Dewey charged the Jury, the counsel on both sides submitting the construction to be put on the letter of the 3rd of March to the direction of the Judge.

He instructed the Jury, that all agreements and conversations prior to the 3rd March, were to be disregarded, as a contract in writing could not be affected by what had previously taken place, — it was conclusive on the parties; any conversation or agreement afterwards, which went to vary or control the letter, was proper matter for the Jury. They had to take into consideration — Firstly, the legal effect of the plaintiff's letter of 3rd March, whether it contained a restriction on the defendants not to purchase at a higher rate than therein mentioned; and, secondly, whether that letter had been varied or controlled by subsequent acts or conversations, and in what respect.

If, on reflection, the Jury were satisfied that the defendants were limited to nine reals, then it was incumbent on the plaintiff to show that the sugars could have been obtained at his limit; or, secondly, that subsequent arrangements had enlarged the contract of 3d March, or the plaintiff could not recover, whatever the motives of the defendants might have been in applying the vessel to their own purposes.

If, on the other hand, the Jury were satisfied that by the intention of the parties a discretionary power was vested in the defendants to purchase or not, they could then consider whether they had acted fairly and faithfully, or had intentionally appropriated the ship to their own purposes, and violated their faith towards the plaintiff.

The Jury, after an absence of an hour and a half, returned with a verdict for the plaintiff, for \$12,000: Choate & Russell for the plaintiff; C. G. Loring for the defendant.

MISREPRESENTATION OF TONNAGE.

In the Circuit Court of New York, before Judge Edwards. — *Louis De Valier and Edward Lamont vs. John B. Woodgate.* This was an action on a charter party entered into by the parties in July, 1836, by which the defendant chartered of the plaintiffs a schooner called the *Margaret*, to proceed from Nassau, N. P., to the island of Mayagua, there to take the cargo from the wreck of the stranded brig *Victor*, deliver it at Jamaica, take in a cargo at that island, and return to this port. She was guaranteed to be 600 barrels tonnage, and the consideration of the charter party was \$700.

The *Margaret* proceeded on her voyage, the defendant accompanying her, took a quantity of staves from the wreck of the *Victor*, delivered them at Jamaica, took in a cargo of pimento, and returned to this city; and this action was brought for the recovery of the \$700 which the defendant agreed to pay for such service.

Payment was contested on the ground that the *Margaret* did not take on board as much from the wreck of the *Victor* as she should have taken if her tonnage was equal to what it was guaranteed to be in the charter party; and, if her tonnage did not equal that guaranty, and the plaintiffs had deceived the defendant as to her tonnage, they were not entitled to payment at all.

Judge Edwards charged the Jury, that it was not pretended by the defendant that the Margaret did not perform her voyage, and complete it, pursuant to the terms of the charter, and that the plaintiffs were consequently entitled to recover the sum stipulated in that instrument. Whether she had or had not taken from the wreck of the Victor as much cargo as she should have taken, has no bearing upon the merits of this suit. If the defendant has been aggrieved by any such neglect, or was imposed upon in relation to the tonnage of the plaintiffs' vessel, he cannot use such neglect or imposition as a set-off to the claim under the charter party, but must bring his separate action for damages. Verdict for the plaintiffs, for the whole amount claimed, with interest and costs.

With all due submission to the learned judge, we dissent from his interpretation of the law. According to the French ordinance, the master who uses deception in representing the burthen of his vessel, provided it exceed the fortieth part, shall answer the merchant in damages; but the better understood and more equitable decision of the English law is, if a ship be freighted by the ton, and found of less burthen than expressed, the payment shall be only for the real burthen; thus, if a ship be freighted for 200 tons or thereabouts, it is commonly reduced to five tons more or less. Now this vessel was guaranteed to carry 600 barrels, and deduction ought to have been made for her deficient burthen, unless it was so trifling as to be unimportant; but to drive the merchant to a suit for damages against the master, is not simplifying or administering justice, but rendering the process tedious and oftentimes unattainable. The objection of the charterer that her tonnage being unequal, they were not entitled to any payment at all, was, to say the least of it, extremely frivolous.

ART. X.—POPULAR SUGGESTIONS OF THE PRINCIPLES OF COPARTNERSHIP.

[The following is the first of a series of Lectures on Commercial Law, delivered before the "Mercantile Library Association," by our fellow citizen, DANIEL LORD, JR., Esq., so well known and so highly esteemed as a Commercial Lawyer. These Lectures are original in our work, having never before been published. The first illustrates the "condition of copartners towards the public," with the method, fidelity, and minuteness, for which Mr. Lord is so remarkable. To our commercial readers they must prove highly acceptable; and to those about entering into copartnership, many of the suggestions will be eminently useful. That portion of the Lecture, which will enrich our succeeding number, is on the "position of copartners to each other," and when we shall have placed the whole before our readers, we are satisfied that we shall present a mass of information new to many and useful to all; for it is a point which must be conceded, that while most of our merchants are well informed on matters connected with their immediate pursuits, they are in many instances ignorant of the first principles of law as applicable to themselves.]

UNION constitutes strength. Man singly, although endowed with reason, and thus made lord of the creation, is nevertheless weak, and incapable of effecting great results: it is by his propensity to associate, to unite with others, to multiply his individual powers by judicious combinations, that all his great works are accomplished.

This principle, so essential to the great results in the history of man, exerts its influence also in the smallest and most elementary combinations of human effort: and in the advancement of private wealth, the union of indi-

vidual enterprise, capital, influence, knowledge, or skill, is a no less powerful and successful means.

Hence arises the relation of mercantile copartnership; individuals agree together to unite their efforts and advantages, and to act thus united as one and for the common benefit: this relation, its origin and consequences, are to be the subject of our present remarks.

Partnership is the union, by mutual agreement, of two or more persons for some *commercial purpose*, to be pursued for the *common gain and loss* of the parties. It is in some instances the mere union of capacities to transact business, without any property in either of the parties; whose whole means of action are their skill, their perseverance and their industry. In some instances, it is the union of capital to capital chiefly; as in the instances of private banking copartnerships, which are conducted wholly by agencies. In some instances it is the union of the industry, skill, and integrity of one, with the wealth, the business reputation, and organized establishment of others. It is sometimes a union for a single adventure, sometimes for a series of adventures of a particular kind, sometimes for all kinds of business at a particular place, or at all places, for a specified or for an indefinite term. While the extent of this relation of copartnership is exceedingly various, yet in all its shapes it is subject to almost entirely the same principles and rules.

The object of the copartnership union, is to give to all the combining parties the benefit of the individual acts of each: these acts therefore are performed in *the name of all*, and this name is usually styled the "firm," the name of their union, or the union of their names.

The acts of each in this name of union are therefore in the eye of the world to be deemed the acts of all, and all the combining parties are held responsible for them: and as the combining, the uniting, the holding up to the public of such a union, is what gives to it the great advantage of the confidence of all; as it is a declaration in effect by each party of the trustworthiness of the whole, and as the public can only judge by the external signs which the union presents, the public have a right to treat this ostensible union as a copartnership, although by private agreement the contrary be stipulated among the parties themselves. It is therefore always to be borne in mind, in considering whether a partnership exists, that it may exist as to the public at large, by reason of the ostensible conduct of the parties; while it may be prevented from existing, and from giving to the parties partners rights, by private stipulations; stipulations invalid it is true towards uninformed strangers, but binding between those who have agreed to them.

Copartnership holds out each copartner as authorized to act for the others; to bind them by his dispositions of property, and by his contracts. The extent and the limitations of this authority, its commencement, progress, and termination, form the body of the law of partnership.

A partnership is formed by the *mutual agreement* of the parties to enter into the union of effort and interest above described. It is always supposed to be a *voluntary union*. One cannot be a copartner with another, without the mutual consent of all the copartners. Hence, one copartner, by selling out his interest, does not enable the purchaser to stand in his stead, and claim the benefits of his place in the union. For this, the consent of the others is required. The rights which copartnership confers, and the powers it bestows, are too extensive and too confidential to be thus bargained for. If one

of several adventurers in a private joint speculation, being insured, and the property meeting loss, abandon it to the insurers, the latter, who take because the law throws the ownership on them and they cannot avoid it, do not thereby become subject to the obligations, nor to the interference of the other joint owners. The mutual assent therefore of all the parties, is essential to create the copartnership.

But while this assent is essential, yet it is sometimes implied and inferred, where it has never in fact been given; and this upon the principle of ethics, that we are not only bound by what we actually declare, but by what we, by our acts or neglects, induce others to believe. Consequently, by holding out to the world such signs and evidences of a copartnership, as do by their necessary effect upon the minds of others, persuade them of its existence, a party may subject himself as copartner, who has never contemplated receiving any of its benefits, or coming under any of its obligations. Thus, should a father see notes in his son's hand writing, using the firm of "*himself and son*," and accredit such notes, either by endorsing them, or receiving them, or in any manner giving them currency, he would give the world reason to believe himself a copartner. So, by permitting a sign to be put up of a similar firm, and trading at, and frequenting the store, without complaint, or causing such complaint to be made public, he might be made responsible as copartner, without, in fact, having made any agreement for it, or intended the same in any manner. It is on this principle also, that copartners often remain liable after the dissolution of their copartnerships: having by the copartnership union held out to the world the assurances of copartnership, the world has a right to continue to believe these assurances, not only while the agreement itself exists, but long after its termination, and after every party to it has lost all right to act under it, until the public has been apprised by the parties of the discontinuance of the union.

This wholesome principle of implying an agreement, from a man's acts, without his positive assent, is one to be constantly kept in view. It is one of perfect justice, operating to enforce the most entire frankness and openness of conduct, and exacting a diligence to prevent error; and is alike honorable to the law, and profitable to the state. It is a principle of evidence however, and does not violate the position, that consent is essential to a copartnership; it only forces the presumption of consent; it is consent against one's will; a consent not the less advantageous however; nor in the eye of the law less real. Words are always acts, and expressive ones; but other acts may often be far more expressive of the truth.

This consent will also be implied in another case, to an extent greatly beyond the design of the parties. Whenever there is an agreement between two or more persons to share the eventual loss or gain, or to participate in the profit or loss of an adventure or business, although it be also agreed that this shall not constitute a copartnership, and although the whole agreement be unknown to those who deal in relation to the adventure, with one of the parties, yet such participation constitutes them partners, renders them liable for all debts and liabilities growing out of the acts of either in relation to the business. Here other principles of liability come into view: the parties have not held each other out to the world as copartners at all; they have invited no one's confidence; they have conducted to mislead no man; they have hung out no signs of consent; and they have also never consented in fact to be bound by the partnership obligations, but have stipulated together to the con-

trary. Upon what principle then, in this case, does this assumed consent, this forced liability, rest?

It is to be remarked, that by consenting to a participation in the profit, the consenting parties have agreed to take all the benefit of the transaction; they are benefitted by all contracts and acts bearing upon the adventure, either to increase its productiveness, or to diminish its ill success: all such acts are therefore done for their benefit. Next, consider by whom are such acts or contracts induced? They are by ostensible persons necessarily conducting this adventure for the advantage of the secret participators of profit. We then have these two elements of responsibility; the acts are done for the benefit of the parties held liable, and are invited or directed by persons necessarily acting in their business. Is there then any plainer principle, than that one whom I direct or invite to make a bargain, or to do any act in pursuance of my enterprises, which act is to be for my advantage, is to all intents my agent, whatever I may choose to call him? Are not his acts my acts? Ought not I, who am to receive the benefit of them, to bear their burthen? By this consent, therefore, to take the benefit of a transaction, I do make those necessarily employed my agents. I cannot, by miscalling them, by pretending a different relation, or by provisos irreconcilable with the true character of the affair, render them any less than my agents. And as they are my agents by reason of my *joint interest* in their acts, they are my copartners; and by connecting myself thus with them in interest, my acts have consented that I should be bound by their conduct.

Interesting questions upon this subject have arisen: it has been urged, that as the crediting parties did not rely upon the belief of a copartnership, they could only claim the benefit of the agreement as it actually was; resembling the case of one acting in his own name for another, but exceeding his authority, whereas the agency neither actually nor ostensibly existed, liability might be rejected. Yet courts, (with the wisdom and firmness which the common law exacts, both from its priests and from its disciples,) have adhered to the principle, that the acts constitute an agency of joint owners; and that acts should continue to be heard in preference to words, however pretending.

Summing up the preceding observations, it results, that copartnership always imports mutual agreement to such union; that such agreement is, first, directly made; second, implied from ostensible acts, even against actual private dissent; and, third, implied from participation of profits, without other actual or ostensible consent.

It is fit to add here, what constitutes copartnership by participation of profits: merely receiving pay for services by a commission or per centage upon the amount sold, or receiving the amount which an adventure may yield over a certain sum, or certain per centage of profit, or receiving interest out of profits, or an annuity, not depending upon profits, for the good will of a firm by a retired partner, is not a participation of profits within the rule. The party in none of these cases stands in the place and with all the consequences to himself of the character of owner; the acts done do not to the same extent affect his interest; he is not, in fact, owner. And, although the application of the principle sometimes compels us to use the microscope in discovering distinctions, yet they can be discovered by those who are obliged to try. The rule may be plainly laid down, that, to render one a partner in consequence of his receipts from a business, such receipts must be based upon no more nor less than a simple participation of its profits.

While, however, this participation renders the participators partners, and

so, liable to the world, it does not give them partners' rights as between each other; they cannot claim the equal right to take the custody of the property, nor to dispose of it as copartners, nor otherwise than according to their joint agreement. Their own private arrangement must go into effect between themselves who consented to it; no reasons exist to force a different liability upon them, nor to prevent the operation of that they have chosen.

It is to be added here, that young men should be cautious in deciding upon these offers of participation of profits instead of salary, or in addition to it. Generally, the offers are made without the expectation, on either side, that losing or ruinous liabilities accrue; they are generally advantageous offers, designed simply to reward assiduous industry, to attach a valuable assistant, or to lay hold of useful business connexions. But they are too often accepted with the impatient eagerness of youth, showing off the spirit of the young horse, feeling his strength, activity, and fire, panting and neighing for the dangers of the field, without the training for its duties, or a knowledge of its dangers. Such offers are often embraced, because the youth would feel himself beginning business, interested in the profits; because he wishes, in his moments of vanity, to boast among his companions of being member of such a great house. He may be induced, too, by motives the most generous, involving the bettering of the condition of a dependent mother, sisters, or wife. Thousands of motives — not even suspicious, and adapted to his every virtue and every vice — recommend his acceptance of such offers. Let him, however, examine well his steps. Let him judge without illusion. Let him here remember, that he becomes a partner so far as that relation can be disastrous, while he may in fact be a mere clerk so far as it might be advantageous. Such offers are not to be lightly declined, nor suspiciously received; but they are to be coolly considered; and here the wisdom of age, the advice of cautious friends, become indispensable guides; and patience, not to be too eager to get rich, a necessary virtue. Such offers are very often openings to wealth, character, and influence; also are they sometimes avenues in early life to irretrievable ruin.

Having thus considered the creation of a copartnership, our next inquiry is, what the partners are authorized by it to do.

This requires a consideration of the public or actual objects of the copartnership. Usually these are wholly commercial and mercantile; they are to transact the business of buying and selling, or an agency business; a joint adventure to some other place; the navigating of ships for the common profit and loss of the owners. The legal authority of the partners takes its form and shape from the ordinary scope and objects of the partnership business, and is limited to their contracts; and acts done by each copartner in the ordinary or fair prosecution of the ostensible business of the firm, are obligatory on it; beyond this they are not binding on the partnership; they are unauthorized, and can only be made to affect the copartnership by showing the actual consent of all its members. Thus, a house dealing in dry goods, would not ordinarily be bound by the purchase, by one of its partners, of a ship, unless the purchase were sanctioned by his copartners. So, a house running a line of packets to another port, would not ordinarily be bound by a purchase of hardware by one of its partners. A house dealing in hardware would not be bound by a purchase of dry goods, nor would any mercantile firm be charged with stock speculations.

The principle is, that by openly pursuing a specific kind of business, the copartnership limits are announced, and the copartners are not to be deemed

authorized to transact other kinds on the credit of their firm. The common purpose of the union being specific, the acts and conducts of the parties having reference to this purpose, must conform to the contemplation of the parties, nor have the public reason to hold it otherwise. This principle is one which, followed, would save many losses and disappointments to persons indiscreetly giving credit to the members of creditable houses, speculating on private account, and often using the credit of their firms for this purpose. Persons giving such credit, and finding the acts disavowed by the firm, often complain of the hardship of their case, that having credited the partner of a firm who had the use of its name, they are not entitled to its responsibility. But the true source of their complaint lies in their ignorance of this principle: the copartner is member of a union, only in a specific business; he has the name of the firm only for the purposes of that business. And the crediting party, when a copartner is acting out of the copartnership line, must inquire of the other copartners if the act be sanctioned: if for delicacy's sake, or for the sake of an advantageous bargain, he forbears this precaution, then he must, in the event of a disavowal by the firm, charge his loss to his own false delicacy or over eagerness for gain, and not complain of the law. A more general *knowledge* of this principle, and more *caution* in giving credits, — the certainty that inquiries would be made into the authority for out of the way speculations, would prevent many members of copartnerships from being tempted to violate their integrity and loyalty, by the supposed possession of a power to pledge the established credit of their firms: a violation which, in the unauthorized use of the names of others, has in it all the moral guilt of forgery, and differs from it only in legal impunity.

Another limitation of the power of a copartner is, that no copartner is authorized to pledge the credit of his firm for his own debt. The debt being of the individual, the payment of that debt clearly has no ordinary connexion with the purposes of the joint copartnership, but the contrary: and however much it may add to a man's rank or standing to belong to a respectable copartnership, yet no one has a right to presume the copartnership to have placed their credit at his disposal for his own private advantage. The very object and purpose of a copartnership imports a postponement of the individual purposes and engagements of the parties to the advancement of the joint interests: and no one can rightly suppose that copartners intend to allow their joint property to be charged with engagements, not promoting the common purposes, but by burdening, tending to defeat it. In such cases, therefore, upon every principle, the firm is not bound. Such obligations are often attempted in the mutual bad faith of the giver and taker of the obligation: they both know what the purpose of the obligation is, and they can only forbear asking the express sanction of the copartners from the belief that it will be refused; they therefore attempt to create an obligation in secrecy and in fraud, and the failure of the attempt ought always to be extolled as a triumph of the law, and needs not to be justified as one of its salutary hardships.

In like manner, as the copartnership's name cannot be pledged for the individual use of a copartner, much less can it be pledged for the debt or purposes of a stranger. All suretyships and accommodation paper by a copartner, in the firm's name, for the benefit of others, are void as to the firm, unless sanctioned by all the copartners. Pledging the responsibility of the union for the mere benefit of strangers to it, is clearly, and in the understanding of all men, not within the ordinary scope of the copartnership business: nor does the circumstance that a commission is paid to the copart-

ner thus using the name of his house vary the matter : for unless the business be a guaranty business, such a transaction is without its line : insuring the solvency of a stranger is as much out of the circle of a mere trading house, as insuring ships or buildings ; it is therefore not authorized either actually or ostensibly, and does not bind the firm.

If however the business of guaranty or engaging for the payment of the debts of others be a part of the business of the house, as in case of auction and general commission houses, then guaranties made by either copartner, in the ordinary course of its business, but not otherwise nor farther, bind the copartnership. Even in these cases, therefore, caution must be used, as well as fairness and good faith, on the part of the creditor, before he relies upon the name of the firm taken upon a suretyship or obligation for the benefit of others.

And in all these cases, (negotiable paper excepted,) the burden of proof does not lie on the copartnership to exonerate itself ; but, as the affair is not within the ordinary range of its ostensible business, the burden of proof will lie upon him who seeks to charge the firm. He must always show that the engagement was made for the ostensible objects of the copartnership, or, that it has received the sanction of the copartners. And he must prove the sanction of all : that of a majority will not suffice ; for as their only joint control and authority is given for the common purpose, when that common purpose is abandoned, no authority in any one to bind the others is conceded, and a majority are as powerless as an individual.

In all such cases, where the copartnership name is improperly used, a disposition of the copartnership property for the same object would be equally invalid : If he cannot create an obligation to be enforced hereafter upon the common property, the copartner cannot effect an immediate transfer for a similar purpose. The possession of the property is only joint possession ; individual possession is understood to be for all, and therefore is no evidence of right of property or authority, except for the common or joint purposes of the firm.

While, however, the copartnership power is thus confined to the joint objects ostensibly pursued, yet in the promotion of these objects it is wholly unlimited. Thus, although a dry goods firm in Pearl street cannot, without their express consent, be bound for the contract of their copartner for ten shares of stock, they may be bound by purchases of dry goods to any amount, however unwarranted by their actual plans, purposes, or instructions to their copartner, and however ruinous. The public know the general business of the house, but do not, and cannot, know its private purposes or secret restrictions ; as to these, by uniting together they have trusted their all to their mutual good faith. Nor are the persons, dealing in the faith of such contracts within the scope of ordinary business, at all affected by any abuse of authority or fraud in the subsequent disposal of the property : it is only their duty to see that the contract is originally well warranted ; it is the duty of the copartners themselves to see to all afterwards.

In the modern course of business, negotiable paper is universally used in the pursuit of their affairs, by all partnerships and individuals indiscriminately ; and the purposes of commerce, requiring that the circulation of these obligations should be protected, every such obligation appearing on its face to be in the name of the firm, is presumed to be for the purposes of the firm ; except it can be shown to have been taken by the actual claiming holder, for purposes not warranted by its business. Hence, negotiable paper made by a copartner in the name of his firm, is the usual mode of attempting to create

improper charges upon it; and, to a great degree, it is a successful one. Although in the hands of him who accepts or takes the paper, thus unwarrantably made, knowing its improper purpose, it is void; yet the moment it passes into the hands of men, taking it fairly for what it purports to be, and parting with property on the faith of it, it becomes valid from the policy of the law; the firm must meet it, seeking such remedy as they may against those who illegally combined originally to put the paper into circulation.

One copartner cannot execute sealed instruments in the name of his firm, or of his other copartners: the giving of such obligations is no part of ordinary commercial business; and besides, to make a sealed instrument the solemn deed of any man, requires by the common law, either his own delivery of it, or a delivery by his attorney, authorized under seal. But a copartner may execute the release of a debt, owing to his firm, by sealing in the name of his firm, or in his own name: and here the name of the firm, not taking any greater effect than his own name, is allowed the same, and is a good release. It has also been held that a charter party letting a ship to freight to a firm, executed by only one of the firm as party, but carried into effect, and the vessel used in the business of the copartnership, should be deemed as sealed by all; the law here has passed by the form, and seated itself upon the substance.

Summing up this branch of our subject then, it appears that the authority of a copartner to pledge the credit, or dispose of the property of his firm, is limited to the ostensible and actual business of the firm, to the exclusion of the debts or purposes of the individual copartner, and also of those of strangers; that all such acts are void; but that within the range of the business of the firm, the authority of the copartners is, as to the trading public, unlimited; and that in relation to negotiable paper, it is also unrestrained, when found in the hands of holders taking it in good faith.

In making claims against a copartnership, strangers are always obliged to prove the union of the parties under this relation. It is evident that the copartnership agreement itself, (which being the most perfect and exact evidence, would, in all other cases, be the only evidence allowed of the fact,) being in the keeping of the partners, and not capable of being recorded in any public office, could be withheld, and no easy means left of showing its contents. Yielding to this necessity, and also to the principle, that the terms of this written contract, if produced, would not avail against the open acts of the parties, the law allows a copartnership to be proved by a common reputation of its existence, a reputation supposed to arise from general observation of the acts of the partners. Ordinarily, the reputation of a thing is not regarded; common safety requires that facts should be proved by those who have seen and known them, so that they can swear to them. But in relation to this subject, as the reputation of copartnership must ordinarily arise from those who deal with it, who have therefore an interest to know the truth, and who are in a condition, from observing open acts, to form a correct belief, such reputation is permitted to be shown. It is, however, not conclusive, and is subject to close examination, both as to its grounds and its extent; and if a true explanation can be shown, reconcileable with the actual facts, and with the non-existence of the alleged copartnership, the reputation may be counterbalanced. But in such cases, it is always a matter for the decision of a jury, a tribunal less certain in the uniformity of its estimate of matters than the judges; and as in commercial places, juries are exceedingly disposed to stretch the point, and fix a liability upon all, who may by any construction appear to have been the

means of inducing a credit, however inadvertently, it becomes incumbent on the creditor and the credited to see that their acts strictly conform to the requirements of the law, that the one may not give, or the other derive, any undue or fictitious credit.

ART. XI.—MERCANTILE LIBRARY ASSOCIATION.

An Address delivered before the Mercantile Library Association, at its Eighteenth Annual Meeting, January 8, 1839. Embodying a History of the Association. By JOHN H. GOURLIE.

The Eighteenth Annual Report of the Board of Directors of the Mercantile Library Association, Clinton Hall, New York, January, 1839. By EDMUND COFFIN, late President of the Association.

WE have read the address and report with equal pride and satisfaction, and cannot resist the inclination to make some remarks, setting forth the rise and present condition of an institution. which, we were going to say, promises to be, but in fact is now, a credit and honor to our county; to the spirit and enterprise of those who planned, and the liberality of those who have furthered and aided its growth and expansion, to its present enlarged, eminently useful, and prosperous condition.

In pursuance of a call, published in the bulletin of the Daily Advertiser, a meeting of the merchant's clerks took place at the Tontine Coffee House, November 9, 1820, attended, as the address states, by about two hundred and fifty persons—"some undoubtedly attracted by curiosity, others doubtful of the practicability of the proposed scheme; but, again, some animated by a noble zeal, and actuated by far-sighted and generous motives in the accomplishment of the great object in view."

"At this meeting, a committee was appointed to prepare a constitution, which, at a subsequent meeting, November 27, 1820, was unanimously adopted." We give the preamble, as setting forth the object of the association at this early period.

"We, the subscribers, merchant's clerks in the city of New York, being desirous to adopt the most efficient means to facilitate mutual intercourse, to extend our information upon mercantile and other subjects of general utility, promote a spirit of useful inquiry, and qualify ourselves to discharge, with dignity, the duties of our profession, and the social offices of life, have associated ourselves for the purpose of establishing a library and reading room, to be appropriated to the use of young men engaged in mercantile pursuits." A constitution was adopted, officers elected, and the public interest early enlisted. Upon the list of honorary members, appears, at this early period, the name of Philip Hone, who has never ceased his exertions in behalf of the institution, and to whom it owes a deep debt of gratitude "for his steadfast, untiring, and generous devotion to the progress and improvement of every thing connected with the institution."

At the first meeting of the board of directors, a committee was appointed to draft an appeal to the public, in aid of the objects of the association, and a committee empowered to rent a room in the second story of the building, No. 49 Fulton street, for the use of the association, at a rent not exceeding one

hundred dollars per annum. In February, 1821, the library was opened with seven hundred volumes, and about one hundred and fifty members.

We have thus adverted to the commencement of an institution, which is destined to have a great literary and moral bearing on the mind and character of those who partake of the advantages of its foundation, and it may not be inaptly compared, in the beautiful language of inspiration, to the grain of mustard seed, which has become a tree, under whose branches the birds of the air find shelter.

At the first anniversary, the library contained one thousand volumes, and the members had increased to one hundred and seventy-five. Unfounded prejudices and misgivings were gradually rooted out — the Chamber of Commerce were inclined to take an interest in it, and on the favorable report of a visiting committee, contributed two hundred and fifty dollars in aid of the objects of the association. In 1836, district committees were appointed to solicit donations in money or books, and the result was so favorable, that in February of that year, the library was removed to a large room in Cliff street, affording to the members increased accommodations. The library then numbered three thousand and three hundred volumes, and the members had increased to between six and seven hundred. And to such an extent had the taste for reading been encouraged by the facilities afforded, that the number of books taken annually from the library, amounted to twenty-five thousand, nearly equal to eight times the number of volumes in the possession of the association.

Most favorably to the interests of the association, a course of lectures was this year commenced by able and scientific men on various subjects. The plan became popular, and it was found impossible to accommodate the public in the narrow precincts possessed by the association, or even the individual members. The idea was suggested by the late Allen C. Lee, "a gentleman of rare attainments, who devoted much of his time and energy to elevate the character and extend the influence of the association," of an establishment on a broader and more permanent basis; better adapted to the wants and wishes of the members, "and commensurate with the increasing commercial wealth and influence of the great metropolis." "A commercial literary establishment was something new; but it bore upon its face a highly practical character, and as such, met with very general popularity. Heretofore, it had been regarded as a *clerk's library*, sustained merely by their humble and moderate resources. A wider field was now opened for its active influence, and a plan was adopted, which resulted in the establishment of the CLINTON HALL ASSOCIATION. Notices were distributed among the most prominent merchants, by Mr. Lee and Geo. S. Robins, acting in concert with him — a meeting was held at the library, for the purpose of concerting measures for procuring a permanent location. At this meeting, Mr. Robins falteringly proposed raising ten thousand dollars, for the erection of a building, for the accommodation and use of the library; but Mr. Arthur Tappan, who was present, responded promptly that "*it would require, and must have, at least thirty thousand,*" and pledged himself on the spot for one thousand dollars. This liberal spirit was responded to by all present. A committee was appointed to collect subscriptions — "and from the impulse imparted at this meeting, has arisen Clinton Hall, the name of which was very happily suggested by Philip Hone, Esquire."

The terms under which the Mercantile Library hold Clinton Hall, are liberal and highly honorable to the munificent patrons, the merchants of New York. Duly associated and regularly incorporated, under the general law

of 1796, it is, to all intents and purposes, an existing corporation, possessing the power of holding property, with every other right usually belonging to corporate associations.

The number of members, at the date of the report, clerks, merchants, and stockholders, was four thousand five hundred and twenty-seven. Of this number, four thousand one hundred and forty-seven pay two dollars annually, one hundred and two merchants pay five dollars annually, and two hundred and seventy-eight are stockholders. The gross receipts of the past year was eight thousand and seventy-two dollars and seventy-seven cents. The association is entirely out of debt, and a wide expanded field of usefulness is open, which the officers of the association have only faithfully to cultivate and improve, and to hand to their successors an institution without a parallel in this or any other country.

The rents arising from the building, are devoted to the payment of the interest of the debt, and such sums as can be spared for the purpose, are applied to the extinguishment of the principal, which, in a few years, will be entirely paid, when their magnificent hall will be free and unincumbered. The rents may then be wholly applied to literary and scientific objects, and with the other resources of the association, will afford an extent of means equalled by no similar institution.

The board of directors enter with great spirit and zeal into the plan of establishing a *Merchant's College*, as will be seen from the following extracts :

"There is perhaps no single profession which calls into exercise a greater variety and volume of general knowledge than that of the merchant. The relations, geographical, political, and commercial, of distant nations as well as of his own country ; the principles and the systems of political economy and finance ; commercial history and commercial law ; the properties of natural products and the results of the processes of art — all are intimately connected with the very details of his business, with the routine of his daily thoughts. If he be true, then, to his profession or to his own interests, must he not seek to open to himself every source of valuable practical information ? Must he not be eminently desirous to consecrate the studies of his youth and the brief leisure of his maturer years to a specific and systematic preparation for his profession ?

Yet, what literary or scientific institution in our country opens to the merchant an opportunity of acquiring an education strictly and thoroughly mercantile ? What learned body has ever attempted to lay before him, regularly and systematically, that general information upon which his success so much depends ? Among all the institutions intended to prepare young men for the professions of theology, law, and medicine, where shall we find an institution, directly and fully preparatory to the great profession of commerce — where shall we look for the *Merchant's College* ? The vast utility of such an institution, and the mighty influence which it would exert upon the character of the commercial community, are beyond all question. The general enthusiasm with which the means of improvement offered in this association are seized upon, proves that within these walls, at least, the importance of such an institution is deeply felt."

Without expressing an opinion as to the practicability of the plan, we merely give the basis of the scheme, which is to establish a course of regular and systematic instruction, by lectures, in all the principal departments of knowledge, most needful to the accomplished merchant. The board suppose this may be effected by the engagement of four competent professors, to deliver courses upon the following subjects :

"I. The Principles of Commerce, including commercial law and political economy : which may form the department of one professor.

"II. Statistics of Commerce and the Arts, Commercial History and Geography, Mining, &c. : which may form the department of a second professor.

"III. Natural Philosophy, including organic and inorganic Chemistry, and Natural History in its commercial applications: which may form the department of a third professor.

"IV. History, civil and literary — Intellectual Philosophy, Belles Lettres, &c.: which may form the department of a fourth professor."

The annual report of the board of directors, for 1830, contains a most interesting fact, which ought to be extensively promulgated. It is there stated, "that they have never known an instance of a member of the library, who has read with any attention, having defrauded his employer or abused his confidence." And so it is, in proportion as you enlighten the mind, you awaken it to the perception of moral beauty and the practice of virtue; and it is in this point of view, that we regard the mercantile library with the greatest satisfaction. No young man can go there, and among its eighteen thousand volumes, not find works to dispel the mists of a delusive theory and erroneous speculations, and be a steady frequenter of its well provided reading room, without having his taste cultivated, his mind enlightened, and his heart improved. The lectures which are there delivered on various interesting subjects give to his attachments a local habitation, and wean him from idle and vicious pursuits; and we believe much good has been done at Clinton Hall, for the cause of virtue, and we will add, of religion. Here there is no excitement to hypocrisy or display. The youth communes with his own heart; and the communion which he holds with the silent monitor in his hand, tells with effective force on his understanding, influences the current of his thoughts, directs his aspirations to the pure and beautiful, and is, as it were, the voice of the Almighty, guiding him into the paths of peace, by that gentle but irresistible impulse which controls his actions, while he is insensible of its application; preparing him for a career of honor and usefulness, by bringing him up in an intelligent, a sober and reflecting state of mind, which gives him a distaste for every thing low, vicious, or dishonest.

In addition to the advantages of its extensive library, and the benefits to be derived from the literary and scientific lectures statedly delivered, classes have been formed for the study of chemistry, to facilitate which the association possesses a chemical apparatus, and of the French, Spanish, and German languages, under able instructors. The chemical classes consisted of forty-eight members, the French of one hundred and fourteen, the Spanish of forty-eight, and the German of thirteen. To which we may add, a class in drawing of twenty-five, and a second forming. With all its immediate collateral and prospective advantages, is there any one who does not wish success to Clinton Hall, and honor to its founders.

We are not disposed to say any thing farther, or to expand in the way of eulogy; it requires none from us, and it asks from the public nothing but its confidence and support, which it urges, not only by the considerations of duty, but of interest.

Our statement of facts has been drawn from the address and report, indiscriminately, as we turned to their pages, for a portion, but have been principally taken from the address, which, from its nature, allowed a wider and more discursive latitude. The report, as a composition, is highly flattering to Mr. Coffin, the late president of the association, and we shall regret the absence of the zeal and ability with which he has, for the last year, presided over the interests of the mercantile library, were our confidence in his successor less. But our regret at the absence of the one, can hardly be allowed a dwelling place, consistently with the high opinion we entertain of the other.

STATISTICAL TABLES.

TABLE of the principal Gold Coins of the Countries and States with which the United States have commercial intercourse; their Weight; the quantity of pure Metal they contain; their Value in the Money of account of those Countries, and their Value in Dollars and Cents; according to Assays made at London and Paris, and published in Kelly's Cambist.

Countries.	Coins.	Weight.	Fine Gold.	Value in Money of account.	Value in Dolls.
		DWT. GR.			
Austria	Sovereign	3 14	78.3	6½ florins	3 33
	Ducat	2 6	53.1	4½ florins	2 29
Belgium	William	4 7½	93.1	10 florins	3 1
Bengal	Gold mohur	7 23	189.4	16 sicca rupees	8 16
Bremen	Ducats	2 5½	52.3	2½ rix dollars	2 25
Denmark	Ducats, specie	2 5½	52.3	14 marks 12 skil.	2 25
England	Guinea	5 9½	118.35	1 pound 1 s.	5 09
	Sovereign	5 3½	113.001	1 pound = 20 s.	4 86½
France	Louis	4 3½	89.35	20 francs	3 85
Genoa	Genovina	16 4	357.35	96 lire	15 40
Hamburg	Ducat	2 5½	52.45	6 marks banco	2 26
Holland	Ducat	2 5½	53.1	5 florins 5 stivers	2 29
	Ryder	6 9	140.1	14 florins	6 04
Madras	Star pagoda	2 4½	41.4	42 fanams	1 79
Naples	Oncetta	2 10½	58.05	3 ducats	2 50
Portugal	Half Johannes	4 15	101.25	6,400 rees	4 36
Prussia	Frederick	4 7	92.1	5 rix dollars	3 97
Russia	Imperial	7 17½	181.45	10 rubles	7 82
Sardinia	Carlino	10 7½	219.4	25 lire	9 44
Sicily	Ounce, 1751	2 20½	58.1	30 tari	2 50
Spain	Doubloon	17 8½	372.	320 reals	16 47
	Pistole, 1801	4 8½	90.05	80 d.	3 88
Sweden	Ducat	2 5	51.45	94 skil's or 1 rix dollar	
				48 skil's	2 22
Tuscany	Rusp no	6 17½	160.4	40 lire	6 91
	Sequin	2 5½	53.3	13½ lire	2 29
Turkey	Sequin fonducli	2 5	42.25	7 piastres	1 82
Venice	Sequin	2 6	53.3	22 lire	2 29
	Ducat	1 9½	33.15	14 lire	1 43

The following foreign coins, when of the required fineness, are a legal tender in the United States, at the following rates:

GOLD COINS.

Carats.

1. Those of Great Britain, Portugal, and Brazil, of 22 carats fineness, at 94.8 per dwt.
2. Those of France, 9-10 fine, 93.1 "
3. Those of Spain, Mexico, and Columbia, of the fineness of 20 carats 3 7-16 grains, 89.9 "

SILVER COINS.

1. Dollars of Mexico, Peru, Chili, and Central America, and those re-stamped in Brazil, weighing 415 grains, and of the fineness of 10 ounces 15 pennyweights of pure silver in a troy pound, } at 100 cents each.
2. Five franc pieces of France, of the fineness of 10 ounces 16 penny-weights in the troy pound, and weighing 384 grains, } at 93 cents each.

TABLE of the principal Silver Coins of the Countries and States with which the United States have commercial intercourse; their Weight; the quantity of pure Metal they contain; their Value in the Money of account of those Countries, and their Value in Dollars and Cents; according to Assays made at London and Paris, and published in Kelly's Cambist.

Countries.	Coins.	Weight.	Fine Silver.	Value in Money of account.	Value in Dolls.
		DWT. GR.	GR.		
Austria	Rix dollar convention	18 1	353.35	2 florins	95
Belgium	Ducatoon	21 10	445.25	3 florins	1 19
	Florin, 1816	6 22	148.2	20 sous = 100 cts.	40
Bengal	Sicca rupee	7 11½	175.4	16 annas	47
Brazil	Pataca, 1801	12 4½	262.1	640 rees	70½
Bremen	Rix dollar specie	18 18	397.25	1½ rix dollar current = 96 gr'ts.	1 06
Denmark	Rix dollar	18 14	388.2	7 marks 6 skill's.	1 04½
	Rixsbank dollar	9 7	19.	8 marks = 96 sk.	52½
England	Crown, new	18 4½	403.3	5 sh. or 60 pence	1 08½
France	Five franc p.	16 1	344.45	100 sous	92½
Genoa	Scudo, 1796	21 9	457.2	7 lire 12 soldi	1 23
Hamburg	Rix dollar	18 18	397.25	3 marks	1 07
Holland	Guilder or florin	6 18	146.4	20 st. 2 f. 10 cts.	39½
Madras	Rupee, 1818	7 12	165.	16 annas	44½
Naples	Ducat, 1818	14 18	295.05	10 carlini or 100 grani	79½
Portugal	Crusado, 1803	9 3	198.1	480 rees	53½
Prussia	Rix dollar convention	18 1	359.	24 good groschen	96½
Russia	Ruble, 1802	13 1½	273.	100 copecks	73½
Sardinia	Scudo	15 2½	324.35	2½ lire or 10 reali	87½
Sicily	Scudo	17 14	348.1	12 tari	93½
Spain	Dollar	17 8	370.45	8 reals mex. pl. 20 reals vallon	99½
Sweden	Rix dollar	18 17	388.25	48 skillings	1 04½
Turkey	Piastre, 1818	6 6½	67.35	40 paras.	18
Tuscany	Francesco Leopoldoni	17 13½	386.2	10 paoli or 6½ lire	1 04
Venice	Ducat	14 6	280.4	12 lire 8 soldi	75½

TABLE OF FOREIGN EXCHANGES ON ENGLAND,

As recommended by the Chamber of Commerce, giving the value of a pound sterling in federal money.

At 5 per cent. premium, is.....	\$4 66	At 8½ per cent. premium, is.....	\$4 83
At 5½ do do is.....	4 67	At 9 do do is.....	4 84
At 5¾ do do is.....	4 68	At 9½ do do is.....	4 85
At 6 do do is.....	4 70	At 9¾ do do is.....	4 86
At 6½ do do is.....	4 71	At 10 do do is.....	4 87
At 6¾ do do is.....	4 72	At 10½ do do is.....	4 88
At 7 do do is.....	4 73	At 10¾ do do is.....	4 90
At 7½ do do is.....	4 74	At 11 do do is.....	4 91
At 7¾ do do is.....	4 75	At 11½ do do is.....	4 92
At 8 do do is.....	4 76	At 11¾ do do is.....	4 93
At 8½ do do is.....	4 77	At 12 do do is.....	4 94
At 8¾ do do is.....	4 78		
At 9 do do is.....	4 80		
At 9½ do do is.....	4 81		
At 9¾ do do is.....	4 82		

The existing value of the pound sterling in New York, is \$4 86, (9½); which is in a language every body can understand.

BANK STATISTICS.

A List of the Associations formed under the General Banking Law, showing the amount of Securities deposited with the Comptroller—the amount of Notes for which orders have been given—and the amount of Circulating Notes delivered by the Bank Department, from 24th of October, 1838, to 30th April, 1839. The number of Banks which have filed certificates up to April 30th, 1839, is 112.

STATE STOCKS AND BONDS AND MORTGAGES DEPOSITED.

The amount of different denomination of Notes for which orders have been given.

The number, denominations, and amount of Circulating Notes delivered by the Bank Department.

	1's.	2's.	3's.	5's.	10's.	100's.	Total No. of Notes.	Total Amount.
*1	8,800	9,800	.....	12,998	.....	.....	31,593	93,390
2	.....	.....	.....	9,200	.....	200	9,400	66,000
3	.....	.....	.....	26,000	.....	.....	26,000	130,000
4	1,200	10,000	10,000	8,000	.....	.....	29,200	91,200
5	7,600	11,800	.....	6,000	.....	.....	25,400	61,200
6	2,000	5,800	.....	3,400	.....	.....	11,200	30,600
7	3,000	11,600	.....	9,200	3,600	.....	27,400	108,200
8	2,000	7,500	.....	200	.....	.....	9,700	18,000
9	.....	.....	.....	12,800	3,000	.....	15,800	94,000
10	8,600	10,000	.....	10,002	1,000	.....	29,602	84,610
11	.....	10,000	.....	7,600	.....	.....	17,600	58,000
12	9,000	11,400	.....	9,000	1,000	.....	30,400	86,800
13	2,000	7,000	.....	3,600	.....	.....	12,600	34,000
14	2,000	11,000	.....	6,000	10	100	19,110	64,100
15	.....	5,548	.....	1,200	.....	50	6,798	22,096
16	1,200	6,200	5,000	4,000	.....	.....	16,400	48,600
17	3,100	10,200	.....	5,000	1,500	.....	19,800	63,500
18	4,000	4,600	.....	4,800	1,400	.....	14,800	51,200
19	7,000	4,000	.....	2,400	800	.....	14,200	35,000
20	.....	.....	.....	10,000	.....	.....	10,000	50,000
21	.....	.....	.....	6,000	.....	.....	6,000	30,000
22	2,000	8,600	.....	5,200	3,600	.....	19,400	81,200
23	.....	2,000	3,340	.....	.....	.....	5,340	14,020
24	.....	.....	.....	.....	.....	.....	.....	.....
25	.....	6,000	3,334	3,000	.....	100	12,434	47,002
26	.....	.....	.....	.....	.....	.....	.....	.....
27	.....	.....	.....	.....	.....	.....	.....	.....
28	.....	.....	.....	.....	.....	.....	.....	.....
29	.....	.....	.....	.....	.....	.....	.....	.....
30	.....	6,000	.....	.....	2,800	.....	8,800	40,000
31	.....	.....	.....	.....	.....	.....	.....	.....
32	.....	.....	.....	.....	.....	.....	.....	.....
33	.....	.....	.....	.....	.....	.....	.....	.....
34	.....	2,000	.....	1,500	500	.....	4,000	16,500
35	.....	.....	.....	.....	.....	.....	.....	.....
36	.....	.....	.....	.....	.....	.....	.....	.....
37	4,000	.....	.....	4,800	1,600	.....	10,400	44,000
38	.....	1,800	.....	900	300	.....	3,000	11,100
39	.....	.....	.....	.....	.....	.....	.....	.....
40	.....	.....	.....	1,500	500	.....	2,000	12,500
41	.....	.....	.....	.....	.....	.....	.....	.....
42	.....	.....	.....	.....	.....	.....	.....	.....
43	.....	.....	.....	.....	.....	.....	.....	.....
	67,500	162,848	21,674	174,300	21,610	450	448,382	1,590,818

* The different Banks are designated by the figures on the outward column of the preceding tables.

NAVIGATION.

LIVERPOOL PACKETS.— *A comparative Table of the Passages of the different Ships of the several Lines of Liverpool Packets.*

OLD LINE PACKETS.

OUTWARD PASSAGES, From 1st Nov. 1837, to 1st Nov. 1838.				HOMEWARD PASSAGES.			
	<i>Sailed.</i>	<i>Arrived.</i>	<i>No. days.</i>		<i>Sailed.</i>	<i>Arrived.</i>	<i>No. days.</i>
England,	Nov. 1	Nov. 17	16	England,	Dec. 17	Jan. 25	39
Orpheus,	16	Dec. 4	17	Orpheus,	Jan. 2	March 8	65
Cambridge,	Dec. 3	22	19	Cambridge,	16	5	48
Oxford,	16	Jan. 4	19	Oxford,	Feb. 1	9	36
N. America,	Jan. 2	27	25	N. America,	16	19	31
Europe,	16	Feb. 12	27	Europe,	March 1	April 1	31
Columbus,	Feb. 1	26	25	Columbus,	18	16	29
S. America,	17	March 7	18	S. America,	April 3	May 2	29
England,	March 3	24	21	England,	20	11	20
Orpheus,	19	April 9	21	Orpheus,	May 2	30	28
Cambridge,	April 2	24	22	Cambridge,	16	June 11	26
Oxford,	16	May 10	25	Oxford,	June 2	July 4	32
N. America,	May 1	24	23	N. America,	16	25	39
Europe,	16	June 9	24	Europe,	July 2	Aug. 11	40
Columbus,	June 2	20	18	Columbus,	19	20	32
S. America,	16	July 7	21	S. America,	Aug. 4	Sept. 5	32
England,	July 2	21	19	England,	20	22	33
Orpheus,	19	Aug. 6	18	Orpheus,	Sept. 7	Oct. 14	37
Cambridge,	Aug. 1	21	20	Cambridge,	19	Nov. 1	43
Oxford,	20	Sept. 11	22	Oxford,	Oct. 8	10	33
N. America,	Sept. 1	27	26	N. America,	22	Dec. 4	43
Europe,	19	Oct. 15	26	Europe,	Nov. 12	29	47
Columbus,	Oct. 1	19	18	Columbus,	20	29	39
S. America	20	Nov. 8	19	S. America,	Dec. 8	Jan. 9	32

Average passage out a fraction over 21 days. The shortest passage out is by the England, in 16 days; and the longest by the Europe, in 27 days.
Average homeward time, 36 days. The shortest passage homeward is by the England, in 20 days; and the longest by the Orpheus, in 65 days. The shortest average of the three voyages is by the England, both out and home.

GRINNELL, MINTURN, AND CO.'S LINE.

OUTWARD PASSAGES.				HOMEWARD PASSAGES.			
	<i>Sailed.</i>	<i>Arrived.</i>	<i>No. days.</i>		<i>Sailed.</i>	<i>Arrived.</i>	<i>No. days.</i>
Pennsylvania,	Nov. 8	Nov. 23	15	Pennsylvania,	Dec. 26	Feb. 2	38
Independence,	Dec. 8	Dec. 25	17	Independence,	Jan. 24	March 9	44
Roscoe,	Jan. 8	Feb. 1	25	G. Washing'n,	Mar. 26	April 22	22
G. Washington,	Feb. 8	March 5	25	Pennsylvan.,	Apl. 25	May 19	24
Pennsylvan.,	Mar. 10	April 5	26	Independence,	May 24	June 17	24
Independence,	Apl. 9	May 3	25	Roscoe,	June 24	July 31	37
Roscoe,	May 8	June 2	25	G. Washing'n,	July 24	Aug. 29	36
G. Washing't'n,	June 8	28	20	Pennsylvan.,	Aug. 25	Sept. 29	35
Pennsylvan.,	July 7	July 28	21	Independence,	Sep. 25	Oct. 13	28
Independence,	Aug. 7	Aug. 30	23	Roscoe,	Oct. 25	Nov. 25	31
Roscoe,	Sept. 7	Sept. 28	21	G. Washing'n,	Nov 25	Jan. 1	37
G. Washing't'n,	Oct. 9	Oct. 27	18				

The average outward passage is a fraction over 21½ days; and the homeward passage a little over 32 days.
The shortest outward passage is by the Pennsylvania, in 15 days; and the longest by the same ship, in 26 days.

ROBERT KERMIT'S LINE.

OUTWARD PASSAGES.				HOMEWARD PASSAGES.			
	<i>Sailed.</i>	<i>Arrived.</i>	<i>No.days.</i>		<i>Sailed.</i>	<i>Arrived.</i>	<i>No.days.</i>
St. Andrew,	Nov. 24	Dec. 16	29	St. Andrew,	Jan. 9	March 7	57
Virginian,	Dec. 26	Jan. 22	27	Virginian,	Feb. 10	21	39
Sheffield,	Jan. 24	Feb. 14	21	Sheffield,	March 9	April 13	35
United States,	Feb. 24	March 17	21	U. States,	April 9	May 6	27
St. Andrew,	March 25	April 15	21	St. Andrew,	May 8	June 7	30
Virginian,	April 27	May 23	26	Virginian,	June 8	July 13	35
Sheffield,	May 26	June 16	21	Sheffield,	July 11	Aug. 15	35
U. States,	June 25	July 16	21	U. States,	Aug. 9	Sept. 14	36
St. Andrew,	July 14	Aug. 5	22	St. Andrew,	Sept. 2	Oct. 8	36
Virginian,	Aug. 13	Sept. 11	29	Virginian,	Oct. 2	29	27
Sheffield,	Sept. 14	Oct. 12	28	Sheffield,	Nov. 4	Dec. 6	32
U. States,	Oct. 13	29	16	U. States,	Dec. 5	Jan. 5	31

Average outward passage of these four ships, 23 days. The United States made the shortest outward passage, in 16 days; the Virginian the longest, in 29 days.

Average homeward passage, 35 days.

EDWARD K. COLLIN'S LINE.

OUTWARD PASSAGES.				HOMEWARD PASSAGES.			
	<i>Sailed.</i>	<i>Arrived.</i>	<i>No.days.</i>		<i>Sailed.</i>	<i>Arrived.</i>	<i>No.days.</i>
Garrick,	Nov. 1	Nov. 17	16	Garrick,	Dec. 17	Jan. 25	29
Shakspeare,	Dec. 2	Dec. 21	19	Shakspeare,	Jan. 16	March 8	51
Siddons,	Jan. 2	Jan. 27	25	Siddons,	Feb. 16	18	30
Sheridan,	Feb. 1	March 5	32	Sheridan,	March 18	April 15	38
Garrick,	March 3	25	22	Garrick,	April 20	May 12	21
Shakspeare,	April 2	April 25	23	Shakspeare,	May 16	June 12	27
Siddons,	May 1	May 24	23	Siddons,	June 16	July 19	33
Sheridan,	June 2	June 20	18	Sheridan,	July 21	Aug. 25	35
Garrick,	July 3	July 20	18	Garrick,	Aug. 16	Sept. 20	35
Shakspeare,	25	Aug. 19	25	Shakspeare,	Sept. 15	Oct. 22	37
Siddons,	Aug. 25	Sept. 14	20	Siddons,	Oct. 21	Nov. 22	32
Sheridan,	Sept. 25	Oct. 19	24	Sheridan,	Nov. 14	Dec. 27	43

Average outward passage, a fraction over 22 days. The Garrick made the shortest outward passage, in 16 days; the Sheridan the longest, in 32 days.

Average homeward passage, 34½ days.

IMPORTANT TO OWNERS OF VESSELS.

Lisbon, 11th of April, 1839.

ART. 1. All foreign ships entering the ports of this kingdom in ballast, and loading a full cargo of salt, shall be free from the tonnage duty. Sec. — foreign ships entering any of the ports of this kingdom in ballast, and sailing out again, to take a full cargo of salt at another of our ports, are equally free from the tonnage duty.

ART. 2. All foreign vessels entering the ports of this kingdom under Franquia, in order to complete their cargoes with salt, shall pay the duty of 100 reis per ton.

ART. 3. All foreign vessels entering the ports of this kingdom to discharge cargoes of merchandise, and here load a full cargo of salt, shall pay the duty of 100 reis per ton.

ART. 4. All foreign vessels which (having paid the duty in one of the ports of this kingdom) sail in ballast to another port of the kingdom, in order there to take a full cargo of salt, are entitled to receive back the duty paid in the first port, with the deduction merely of 100 reis per ton, on presenting to the competent authority a legal certificate of said payment.

ART. 5. The disposition of article 7th, of the Royal Decree of the 14th of November, 1836, relative to the payment of tonnage duty on Portuguese vessels, are applicable to articles 2, 3, and 4 of the actual law.

ART. 6. All former legislation, contrary to the present law, is hereby revoked.

CHANNELS OF RIVERS.

There is sometimes a good deal of mystery, in the effects of the tide in filling up, or deepening the channels through which the waters of rivers find their way to the ocean. As a general rule, however, it may be assumed, that any obstruction in a part of the channel, which serves to diminish materially the volume of water which passes through it, at the flow and ebb of the tide, tends to diminish the depth of the channel, both above that obstruction, and between it and the sea; and that a removal of the obstruction again deepens the channel. As an instance of such an effect in the river Thames, we cite the following facts, which are stated by Mr. M'Culloch, in his lately published Statistical Account.

The removal of the old London bridge has caused a considerable change in the river above, and also, though in a less degree, below the bridge. Owing to the contracted arches through which the water had to make its way at the old bridge, there was a fall of from four feet nine inches to five feet at low water. This fall is now reduced to about two inches, so that the low water line above the bridge is nearly five feet lower at spring tides than formerly. In consequence, a greater increased body of tidal water now flows up and down the river; and meeting with no obstruction, it flows with greater velocity. The effect of this is to scour and deepen the channel of the river, its influence in this respect being sensibly felt as far up as Putney bridge, seven and a half miles above London bridge. The shores above the latter, that were formerly foul and muddy, are now becoming clean shingle and gravel; and near low water the beach is quite hard and firm. The shoals are also decreasing below the bridge, and there can be little doubt that the change will, at no distant period, be felt from the Nore up to Teddington. Before the removal of the old bridge, a barge, starting from the Pool with the first of the flood, could not get further than Putney bridge without the assistance of oars; but, under similar circumstances, a barge now reaches Mortlake, four miles farther up, before using oars, and, with a little help, she may reach Richmond, and, taking horses there, get to Teddington in a tide. The descent down the river has been equally facilitated; the mean velocities of the flood and ebb between London bridge and Westminster bridge are,—flood, three miles an hour; extreme, three and a half: ebb, three and one sixth; extreme, three and a half.

LAW OF STORMS.

The Evening Post relates a circumstance, which occurred in this city, a few years since, illustrative of the commercial utility which governs the progress of storms, laws which Mr. Espy so fully and accurately investigated in his course of Lectures, recently delivered at Clinton Hall. The Post states, that a policy on a vessel and cargo had been effected with an Insurance Company of this city. The policy expired on Sunday, December 4th, at twelve o'clock at noon. The vessel was lost in a snow storm, on the coast of Nova Scotia, and the owners claimed for a total loss, alleging that the wreck took place on the night of Saturday, the 3d December. The protest, stating the particulars of the storm and wreck, was regularly made out; that the vessel had been wrecked there was no question; every thing appeared perfectly fair, and there was apparently no reason why the Insurance Company should not pay the loss. But it happened that on the very morning of the fourth of December there came on in New York a violent north-easterly snow storm. The president of the Insurance Company had observed, that storms always commence to the leeward, and that their progress over the country is against the wind. In the collection of Franklin's works, a paper containing some curious illustrations of this observation will be found. As the snow storm came on in New York on the fourth of December, and as the wind was from the direction of Nova Scotia, the president of the company concluded that it was impossible that the storm should have been felt on that coast so early as Saturday night. He wrote to a respectable commercial house at St. Johns, and received for answer, that Sunday morning, the fourth of December, was fine, and that three vessels, belonging to the house in question, had sailed that morning, but that the storm had set in the night following. The claim of the owners was therefore rejected. It was not further pressed until two years afterwards, when the owners brought a suit to recover the amount of the loss, and the mate testified that the wreck took place on Saturday night. The Insurance Company sent down to the coast where it happened, and procured the amplest testimony that it took place on Sunday night; thus fully verifying the conclusion of their principal officer.

COMMERCIAL REGULATIONS AND TREATIES.

MERCANTILE REGULATION AT SINGAPORE.

The following regulation, under the signature of Ross D. Mangles, officiating Secretary to the Government of India, published in the Singapore Free Press of the 1st of February, 1838, has been communicated to the Department of State by J. Balstier, Esq., United States Consul at Singapore:

Foreign ships belonging to any state or country in Europe or in America, so long as such states or countries respectively remain in amity with her Majesty, may freely enter the British seaports and harbors in the East Indies, whether they come directly from their own country or from any other place, and shall be there hospitably received. And such ships shall have liberty to import into such seaports, from their own respective countries, goods, the produce of their countries; and to export goods from such seaports to any foreign country whatever, conformably to the regulations established, or to be established, in such seaports: Provided, that it shall not be lawful for the said ships, in time of war between the British government and any state or power whatsoever, to export from the said British territories, without the special permission of the British government, any military or naval stores, saltpetre, or grain, nor to receive goods on board at one British port of India to be conveyed to another British port of India, on freight or otherwise; but nevertheless the original inward cargoes of such ships may be discharged at different British ports, and the outward cargoes of such ships may be laden at different British ports, for their foreign destinations.

COMMERCIAL REGULATIONS AT CANTON.

We find the following in the Canton Register, for January, 1839, addressed by the Hong Merchants to the Chamber of Commerce, in the shape of a circular, with a request that they would give it publicity. We give below a copy of the Regulations, and the Bond to be given by the Captain and Consignee.

"Should any vessels at Whampoa bring up opium or smuggle out *sycee*, (silver,) the trade of such vessels will, on a discovery and seizure being made, be instantly stopped, and she be driven out of the port without a moment's delay. (Her owner) will be mulcted in \$10,000, to be appropriated to the liquidation of the foreign claims.

"Should any vessel at Whampoa engage in smuggling any other kind of goods, her trade will, on discovery and seizure being made, be instantly stopped: the smuggled goods will be sold, the proceeds confiscated, and the owner mulcted in half their value, to be appropriated to the liquidation of the foreign claims.

"No vessel at Whampoa must employ decked boats on penalty of her trade being stopped immediately the fact is discovered. On the boat being given up to our Chamber for destruction, we will petition that her trade may again be opened.

"The master and consignee of any vessel condemned to leave the port for her misbehavior, must nevertheless pay up her port charges; they must not on the plea of the ship being driven out, endeavor to evade the payment, on penalty of the most rigorous prosecution.

"Should the captain and consignee of any vessel demur paying any just mulct, their security merchants must inform the other merchants thereof, who will deduct the amount from the prices of any goods belonging to the parties.

"The bond to be worded as follows:—'A bond given as proof. We (A) master, and (B) consignee of the (flag) Ship (name) which has come from her port with a cargo of (C), to trade at Canton, do hereby guarantee that she has no opium or other prohibited goods on board. Should she have decked boats she shall not employ them in smuggling our *sycee*, (silver,) or other goods: but should any such doings be discovered, we will cheerfully submit to be dealt with according to the regulations, which we dare not endeavor to evade. In witness whereof we have signed our names to this bond to be held by you as proof.'"

S. FEARON, Chinese interpreter a. c. c.

TO MERCHANTS TRADING WITH THE ROMAN STATES.

The following is extracted from an official document, recently received at Philadelphia by Charles Pigot, Consul of the Roman States:

The products of North and South America, furnished with a clean bill of health and the customary papers for navigation, shall be admitted freely into the ports of the Ro-

man States, provided they are accompanied with a *cert. state of health* from the Consul for Rome residing in the place of landing, or in want of such a Consul, from any other European Consul, denoting that at the period of landing and before that period there existed no yellow fever or any contagious disease in the port of clearance and its vicinity; and in the absence of such a certificate, they shall not enjoy said privilege.

"The vessels or products of said countries, furnished with a *clean Bill of Health*, (*Patente Libera*) accompanied with said Consular certificate, shall be admitted to a quarantine of 12 days with the landing in the Lazaretto of passengers and articles susceptible of contagion or infection.

"Finally, the vessels furnished with a *foul Bill of Health*, (*Patente Brutta*), shall be admitted only in the port of Ancona, to a quarantine of from 14 to 21 days, according to the nature of their cargo, with the landing in the Lazaretto of their passengers and articles susceptible of contagion or infection."

TREATY BETWEEN HOLLAND AND THE UNITED STATES.

The treaty of Commerce as concluded between Holland and the United States, dated at Washington, late in January last, and since ratified by the Dutch government, embraces the following provisions:

"That all goods, without reference to their origin, imported into any of the ports of Holland, or the United States, or exported from any of the ports of these countries for the other, in Dutch or American bottoms, shall not pay higher duties than those fixed on board of national vessels. If one of the two contracting parties grants premiums, restoration of duties, or other advantages, for the importation or exportation in national vessels, the same advantages shall be granted, if the importation or exportation takes place directly between the ports of the two countries in vessels of the other contracting party. The second article provides that Dutch and American vessels are not to pay respectively in the ports of either of the two states, any tonnage, salvage, quarantine, or pilot-dues, except those established for national vessels. Perfect equality is to be established between the consuls and vice-consuls of both countries, in the exercise of rights and privileges, and the protection and assistance usually given, especially in the case of deserters from the navy of both countries. Both countries consider as belonging to the other, vessels provided with passports, or sea-letters, by the competent authorities. In shipwrecks or disasters at sea, both parties engage to afford to the merchant, or war vessels, of the other, the same assistance as in the case of its own navy. The new treaty is to remain in force for ten years, and longer, should no complaints be made.

REGULATIONS AT HAVANA.

A late number of the Havana Diario contains an order of the Captain General of Cuba. The purport of this order is: that on the representation of the American Consul, and of one Daniel Warnen, no sailor can be admitted or employed under any pretence, nor be permitted to remain on board of any American vessel in the port of Havana, unless the Captain of such vessel shall be perfectly assured that the sailor has been legally discharged from the vessel in which he arrived, and with the knowledge and consent of the American Consul. That for every sailor employed in violation of said regulation, the captain employing him shall be fined fifty dollars, and should the vessel in which said sailor is found, have obtained clearances, the fine shall be doubled. The said Daniel Warnen is appointed Commissioner for the strict enforcement of these regulations, and report offenders to the captain of the port—a third part of the fines to go to the informer, the rest to the chamber of justice.

LETTERS TO HAVANA AND MATANZAS.

We have been requested to state, says the Boston Daily Advertiser, for the information of persons writing to Havana, Matanzas, and other places in the island of Cuba, that the addition of the word 'Cuba,' to the superscription of letters, has an effect altogether unexpected by the writer, and inexplicable to those unacquainted with the post-office affairs in that island. 'Cuba' is understood throughout the island to mean St. Jago de Cuba, and the clerks in the several postoffices where the letters are first received from abroad, looking only at the last place mentioned in the superscription, forward letters and newspapers having 'Cuba' upon them, to St. Jago.

STATISTICS OF TRADE AND MANUFACTURES.

COTTON TRADE.

A Statement of the Stock in Liverpool, at the close of the years 1837 and 1838.

	1837.	1838.		1837.	1838.
Sea Islands,	1,460	3,220	West India,	540	100
Stained ditto,	770	1,330	Carthagena,	4,690	4,640
Bowed,	35,290	68,860	Bourbon,	20	
Orleans,	29,970	17,640	Manilla,	460	30
Mobile, &c.	5,760	98,950	Laguaira,	6,301	250
Pernams,	11,780	11,720	Surat,	39,940	16,510
Bahia, &c.,	7,950	8,230	Bengal,	2,100	580
Maranham,	6,180	9,050	Smyrna,	270	700
Minas and Paras,	380	100	Madras,	2,030	400
Peruvian,	810	840	Egyptian,	13,350	5,320
Demerara and Berbice,	710	640			
Barbadoes,	50	130	Total bales,	170,820	248,340

The table of import into Great Britain, compared with the preceding year, shows an increase of 280,000 American, 20,500 Brazil, 1,600 West India, &c.; and a decrease of 11,500 Egyptian, &c. 38,000 East India, being a total increase of 252,600 bags.

The average weekly consumption of Great Britain we estimate at 23,204 bales, consisting of 5,505 Upland, 11,742 Orleans and Alabama, and 317 Sea Island—total, 17,564 American, 2,400 Brazil, 781 Egyptian, &c. 1,760 East India, 639 West India, &c.; being an increase upon the consumption of last year of 2,871 bags per week.

The average weekly quantity taken by the trade from the ports, is 5,693 Upland, 12,542 Orleans and Alabama, 337 Sea Island—total 18,277 American, 2,555 Brazil, 781 Egyptian, &c.; 1,875 East India, and 676 West India, &c.; total, 25,164 bags.

The average weight of the import we calculated at 332lbs. per bag for Upland, 406 for Orleans and Alabama, 320 Sea Islands, 174 Brazil, 220 Egyptian, 350 East India, and 146 West India, &c. making the total import in lbs. weight 501,010,000, being an increase upon last year of 92,760,000 lbs. weight.

It appears by the tabular statement, that the weekly consumption has increased in packages at the present average weight, from 4,930 bags in the year 1816 to 23,204 bags in the present year.

INCREASE OF COTTON IN THE UNITED STATES.

In 1791, only 188,316 lbs. cotton were exported from the U. States; in 1798 it was less than 1,900,000; in 1802 the amount was 27,501,075 lbs.; in 1819 it was 87,997,045 lbs.; in 1820 it was 127,860,152; in 1830 it amounted to 298,459,102 lbs.; in value \$29,675,883. This amount in value was less by \$7,000,000 than in 1825, when the quantity was less by 122,000,000 lbs.; the price in the latter year being more than double that of the former. The amount exported during the year ending with September, 1838, was upwards of 639,000,000 lbs., leaving of that year's crop, including nearly 8,000,000 lbs. of stock the previous year, which remained on hand, upwards of 98,000,000 lbs. for home consumption; the year's crop, in round numbers, exceeding 720,000,000 pounds.

STATISTICS OF LOWELL MANUFACTURES.

A large proportion of our fellow-citizens are ignorant of the deep root which domestic manufactures have taken in our country, and the vast impulse which home industry is already giving to commercial affairs, and the certain and steady market they afford to the southern planter for the great staple article of Cotton. Take Lowell, only one manufacturing village, for instance, and we find an investment of nine millions of capital, twenty-eight Mills in active operation, exclusive of Print Works, 163,404 Spindles, and 5,094 Looms, requiring eight hundred and ninety bales of cotton per week, or 46,280 bales per annum; manufacturing weekly 1,061,250 yards of Goods of various descriptions, 255,000 of which are printed, and giving employment to 2,077 males, 6,470 females, and furnishing to the farmers in the neighborhood a ready market, where their products are convertible to cash; for the hands are always paid off in money

once a month at least. The principal establishments are the Merrimack, Tremont, Suffolk, Lawrence, Appleton, Hamilton, Lowell, and Boot Mills; to the above may be added, the extensive Powder Mills of O. M. Whipple, Esq.; the Lowell Bleachery, Flannel Mills; Card and Whip Factory; Planing Machine; Reed Machine; Flour, Grist, and Saw Mills; together employing above three hundred hands, and a capital of \$300,000. And in the immediate vicinity, Glass Works, and a Furnace supplying every description of castings for Machinery and Engines for Rail Roads.

The Locks and Canals Machine Shop, included among the twenty-eight Mills, can furnish machinery complete for a Mill of 5,000 Spindles in four months, and lumber and materials are always at command, with which to build or rebuild a Mill in that time, if required. When building Mills, the Locks and Canals employ directly and indirectly from ten to 1,200 hands.

One hundred pounds of Cotton will produce eighty-nine pounds of Cloth. Average wages of Females, clear of board, \$2 per week. Average wages of Males, clear of board, 80 cts. per day. Medium produce of a Loom on No. 14 Yarn, forty-four to fifty-five yards per day. Medium produce of a Loom on No. 30 Yarn, thirty yards per day. Average per Spindle, 1 1-0 yard per day. Persons employed by the Companies are paid at the close of each month. Average amount of wages paid per month, \$145,000. A very considerable portion of the wages is deposited in the Savings Bank. Consumption of Starch per annum, 600,000 lbs. Consumption of Flour for Starch in the Mills, Print Works, and Bleachery, per annum, 3,000 bbls. Consumption of Charcoal, per annum, 500,000 bushels.

When we consider that these establishments were only commenced in 1822, no one can resist the conclusion, that interrupted as it may be for a time, the United States is destined to prove a great manufacturing nation, and the thousand establishments for manufacturing and mechanical purposes, with which the face of the earth is dotted all over, proves that it has taken a firm footing in the soil, and Legislation may control or impede, but cannot prevent its growth. We say nothing, at the present moment, of other establishments, of which we propose, hereafter, to furnish statistical information; but this astonishing progress of one manufacturing settlement in Massachusetts alone, awakens our admiration, but cannot withhold our meed of praise.

TRADE OF BUFFALO

The value of property cleared at Buffalo, going towards tide water, is as follows:

1837	\$2,304,785 12
1838	4,870,473 86

Tolls received on the same:

1837	\$128,028 21
1838	202,410 66

The property chiefly consisted of flour, wheat, and other grains, peltries, scantlings, lard, butter, &c.

The following is a statement of property arriving at Buffalo, coming from tide water:

	Merchandise.	Furniture.
1836	86,433,037	11,464,098
1837	60,013,661	11,924,481
1838	83,224,295	7,755,262

DECLINE OF SOUTHERN COMMERCE.

The report of a Committee of the Southern Convention, which was held last April, in Charleston, furnishes the following table, showing the comparative progress of Commerce at the North and South.

The statistics of the United States enable us to present the following statements exhibiting at one view the rise, progress, and decay of Southern commerce. They are extracted from one of the documents formerly published by this Convention, and show that the time was, when the people of the South were the largest importers in the country.

In 1769, the value of the imports of the several colonies were as follows:

Virginia,	£851,140	sterling,
New England States,	561,000	..
New York,	189,000	..
Pennsylvania,	400,000	..
South Carolina,	565,000	..

The exports were in about the same proportion: Virginia exporting nearly four times as much as New York; and South Carolina nearly twice as much as New York and Pennsylvania together; and five times as much as all the New England States united.

The same relative proportion of imports is preserved until the adoption of the Federal Constitution, when we find them to be in the year 1791 as follows :

New York,	\$3,222,000
Virginia,	2,486,000
South Carolina,	1,520,000

There is no data to show the imports into the several States from the year 1791 to 1820, but the general fact may be assumed, that the import trade of New York and other Northern States has been constantly progressing, while that of Virginia and South Carolina has as regularly diminished. From 1821 to the present time, we have sufficient data, and they exhibit the following as the state of the import trade:

	New York.	Virginia.	S. Carolina.
1821	\$23,000,000	\$1,078,000	\$3,000,000
1822	35,000,000	864,000	2,000,000
1823	29,000,000	681,000	2,000,000
1824	36,000,000	639,000	2,400,000
1825	49,000,000	553,000	2,150,000
1827	39,000,000	431,000	1,800,000
1829	43,000,000	375,000	1,240,000
1832	57,000,000	550,000	1,213,000

Thus, the import trade of New York has gradually increased from £189,000 sterling, about \$840,000, in the year 1769, and from about three millions of dollars in 1791, to the enormous sum in 1832, of fifty-seven millions of dollars! While Virginia has fallen off in her import trade, from two and a half millions of dollars in 1791, to \$375,000 in 1829, and 550,000 in 1832, not a great deal more than the freight of half a dozen ships!

From these calculations, a few curious facts appear. The imports of New York were, in 1832, seventy times as great as they were in 1769, and nearly twenty times more than they were in 1791. Virginia, on the other hand, imported in 1829, about one eleventh of what she did in 1769, and about one seventh of what she did in 1791. In a period too, of eight years, the aggregate imports of New York amounted to three hundred and eleven millions of dollars; those of South Carolina to about sixteen millions, and those of Virginia to about five millions! New York imported, therefore, in 1832, eleven times as much as Virginia did in eight years preceding, and nearly four times as much as South Carolina did in eight years preceding. Again, New York imported in one year (1832) nearly fifty times as much as South Carolina in the same year, and about 110 times as much as Virginia.

THE COAL TRADE FOR 1838.

The following is the quantity of coal shipped from the different regions in 1837 and 1838:

	1837.	1838.
Schuylkill.....	523,152	431,719
Lehigh.....	192,595	152,699
Lackawana.....	115,387	78,207
Beaver Meadows.....	33,617	44,966
Hazleton.....		14,221
Laurel Hill.....		2,001
	864,751	723,813
	723,813	

Decrease in 1838..... 140,938 tons.

The consumption of coal, as near as can be ascertained, was in
Annual increase.

1831.....	177,000	
1832.....	329,000.....	150,000
1833.....	413,000.....	84,000
1834.....	456,000.....	41,000
1835.....	556,000.....	100,000
1836.....	682,090.....	126,000
1837.....	664,000.....	decrease.

FRENCH CORN AVERAGES.

The following are the official average prices of Wheat in France for the month of November in each year, during the undermentioned twenty years, from 1819 to 1838, the whole reduced into English measure and money :

	Per Hectolitre.			Per Quarter.	
	15f.	4c.	equal to	34s.	5d.
1819	15	60	..	44	10
1820	15	28	..	35	0
1821	15	71	..	36	0
1822	15	58	..	35	8
1823	14	74	..	33	9
1824	15	79	..	36	2
1825	15	58	..	35	8
1826	20	22	..	46	4
1827	22	55	..	51	8
1828	21	97	..	50	4
1829	22	49	..	51	6
1830	22	52	..	51	7
1831	17	96	..	41	1
1832	14	95	..	34	3
1833	14	88	..	34	1
1834	14	43	..	33	1
1835	17	26	..	39	6
1836	17	75	..	40	8
1837	21	92	..	50	3
1838					

The average of the whole period is 17f. 81c. per hectolitre, which is equal to 40s. 9d. per quarter; and it will be farther remarked—

- 1. That the return of 1835 is the lowest of the whole period.
- 2. That the return of 1828 is the highest of the whole period.
- 3. That the return of the present year exceeds the return of the preceding year by 9s. 7d. per quarter.
- 4. That the return of the present year exceeds by 9s. 6d. per quarter the return of the whole period.

To compare the average prices of wheat in France with those of England and Wales, it is necessary to add 20 per cent to the latter, for difference in the quality of the wheat, and the difference in the mode of taking averages; and it then appearing that the average price of wheat in England and Wales, for the six weeks ending the 3rd ult. is 71s. 6d. the quarter, this, with the addition of 20 per cent. makes 85s. 10d.; and the average price of wheat in France, for the same period, being 50s. 3d., it follows that wheat is 41.46 per cent lower in France than in England.

The average price of wheat at Paris, for the preceding month of November, is 23f. 63c. per hectolitre, which answers to 54s. 1d. per quarter.

COMMERCE AND NAVIGATION OF THE UNITED STATES.

An Abstract of the last official Annual Statement of the Commerce and Navigation of the United States.

Imports for the year ending September 30, 1838.

	Total amount	\$113,717,404
Of which were imported in American vessels,		103,087,448
In foreign vessels,		10,629,950

Exports.

	Total amount,	108,486,616
Of which were domestic produce,		96,033,821
Foreign produce,		12,452,795

Domestic Articles.

Exported in American vessels,	79,855,599
Exported in foreign vessels,	16,178,222

Foreign Articles.

Exported in American vessels,	9,964,200
Exported in foreign vessels,	2,488,595

Navigation.

American shipping entered the ports of the United States for the year ending September 30, 1838,	1,302,974
Ditto cleared from ditto,	1,408,761
Foreign shipping entered during same period,	592,110
Ditto cleared from ditto,	604,166
Registered tonnage, as corrected September 30, 1838,	822,591
Enrolled and licensed,	1,041,105
Fishing vessels,	131,102
	<hr/>
Total tons,	1,993,798
Employed in the Whale Fishery,	129,629
Shipping built in the United States during the year ending Sept. 30, 1838 :	
Registered,	41,359
Enrolled,	71,275
	<hr/>
Tons,	113,134

The imports of the previous year, ending 30th of September, 1837, amounted to \$140,989,217, and the exports to \$117,419,376. It will be observed that while the imports of 1837-8, are less by \$27,000,000 than in 1836-7, the exports are less by only \$9,000,000 more. This looks like getting out of debt. The tonnage of American shipping which entered in 1837-8 is greater than in 1836-7, by 3254 tons, while the foreign tonnage is less by 173,593 tons. This, again, is a favorable indication. The actual tonnage owned in the United States has increased within the year, from 1,896,685 tons, to 1,994,798; or 98,113 tons. Rather less tonnage was built in 1837-8, than in 1836-7.

MERCANTILE MISCELLANIES.

NEW SPECIES OF COTTON.

An improved species of cotton has been discovered in Alabama: The Southern Agriculturist says that it grows much taller than the common plant, and bears a number of short lateral branches only 4 or 5 inches in length, and bearing twin pods or clusters of 6 or 7 pods on each branch. The cotton is finer than any other kind of short staple, commands 4 or 5 cents more, and the product is very much more abundant. The plant, with leaves like other cotton, resembles the okra in other respects, and in rich land will reach a height of 8 or 9 feet. The seed is not yet in general use, and the small quantity to be had sells at very high prices. It ripens earlier than the other cotton, and stands a better chance, therefore, of escaping *the worm*, which is very destructive to late crops in the south-west.

UNITED STATES MINT—COINAGE FOR 1838.

The Director of the Mint, Dr. Patterson, has made his annual report of the operations of the Mint and its branches for the year 1838, from which we extract the following particulars, viz.:

1. Whole amount of gold coinage is \$1,809,595, of which there was coined —

At Philadelphia.....	\$1,622,515
Charlotte, N. C	84,165
Dahlonaga, Ga.....	102,915
New Orleans.....	none.

\$1,809,595

Of the above quantity, 7,200 pieces were in eagles; 286,588 pieces were in half eagles; and 47,030 pieces were in quarter eagles.

Of the bullion deposited, there was supplied from the mines of the United States—

At Philadelphia.	\$171,700
Charlotte.....	127,000
Dahlonaga.	135,700
New Orleans.	700

Total native bullion.....\$435,100

2. The whole amount of silver coined is \$2,333,243, of which the whole was coined at Philadelphia, except \$40,243 in dimes, at New Orleans, the other branch mints being not yet authorized to coin silver, the bill which passed the Senate to authorize them to coin silver change having not passed the House of Representatives, and being now in the Senate.

Of the silver coined at the mint in Philadelphia, there was

In half dollars.....	\$1,773,000
quarters.....	208,000
dimes.....	199,250
half dimes.....	112,750

2,293,000

Add dimes at New Orleans..... 40,243

\$2,333,243

From this it will be seen that the total coinage of the mint and branches, in gold and silver, is \$4,142,838. Besides this, the copper coinage amounted to \$63,702; making a totality of \$4,206,540.

Statement of the Annual Amounts of Deposites of Gold, for Coinage, at the Mint of the United States, Philadelphia, from the Mines of the United States.

Year.	Virginia.	N. Carolina.	S. Caro'a.	Georgia.	Total.
1824....	....	\$5,000	....	....	\$5,000
1825....	....	17,000	....	....	17,000
1826....	....	20,000	....	....	20,000
1827....	...	21,000	....	....	21,000
1828....	....	46,000	....	....	46,000
1829....	\$2,500	134,000	\$3,500	....	140,000
1830....	24,000	204,000	26,000	212,000	466,000
1831....	26,000	294,000	22,000	176,000	520,000
1832....	34,000	458,000	45,000	140,000	678,000
1833....	104,000	475,000	66,000	216,000	868,000
1834....	62,000	380,000	38,000	415,000	898,000
1835....	60,400	263,500	42,400	319,000	698,500
1836....	62,000	148,000	55,200	201,400	467,000
1837....	52,000	116,900	29,400	83,600	282,000
1838....	55,000	66,000	13,000	36,000	171,700
	<hr/> \$482,000	<hr/> 2,648,500	<hr/> 340,500	<hr/> 1,799,900	<hr/> 5,298,200

Of the \$5,298,200, the sum of \$13,900 was from Tennessee since 1831, and the sum of \$13,400 from other sources since 1831.

Statement exhibiting the Value of Bullion and Specie imported and exported from the 1st of July, 1834, to the 30th September, 1838.

Gold Imported.

	Bullion.	Specie.
1834, 1st July to 30th Sept.	\$147,181	\$2,786,000
1835, year ending 30th Sept.	655,457	1,669,739
1836, year ending 30th Sept.	1,913,137	5,318,725
1837, year ending 30th Sept.	536,549	1,895,265
1838, year ending 30th Sept.	230,694	11,431,840
	<hr/> \$3,483,019	<hr/> \$23,101,365

Gold exported.

	Bullion.	Specie.
1834, 1st July to 30th Sept.	—	\$64,359
1835, year ending 30th Sept.	—	625,678
1836, year ending 30th Sept.	\$25,787	275,940
1837, year ending 30th Sept.	101,563	1,828,653
1838, year ending 30th Sept.	—	736,264
	<hr/> \$127,350	<hr/> \$3,530,894

AN HONORABLE MERCHANT.

The following incidental notice of the richest of the long race of wealthy Salem merchants, is from the pen of Capt. J. S. Sleeper, the able editor of the Boston Mercantile Journal, who formerly sailed in the service of the distinguished man whose character he describes. It is our intention, from time to time, to furnish biographical sketches of eminent merchants — of men who by their enterprise, industry, and integrity, have amassed princely fortunes, and by their liberality and benevolence in the endowment of splendid charities, and the more private acts of humanity, shed a lustre over the mercantile character:

"The late William Gray, by his successful mercantile career, well illustrated the truth of the homely adage, 'Honesty is the best policy.' His ships were found in every sea, deeply laden with the products of every country. Although bold in his speculations, he was prudent in his calculations — and fortune smiled upon his undertakings. But William Gray was, emphatically, *an honest man*. Not a dollar of his immense wealth was acquired by violating, directly or indirectly, the laws of any country. Having, on a number of occasions, had charge of large amounts of property belonging to him, we have had abundant opportunities of knowing the manner in which he transacted his commercial operations — and we have often had occasion to admire the *stern integrity* which formed a prominent feature in his character.

The agents or shipmasters whom he employed, were always cautioned, in the plainest language, against infringing, in the slightest degree, upon the revenue laws of any nation — and if it came to his knowledge that his orders, in this particular, had not been strictly obeyed, even if the departure from the straight line of rectitude had been dictated solely by the desire of the captain or supercargo to promote the interest of his employer, the offender was promptly dismissed with disgrace from his service. And this was but a part of the system of integrity which entered into *all* his actions — and which should always constitute the basis of the character of a mercantile man."

THE BENEVOLENT MERCHANT.

The life of THEODORE LYMAN, Esq., recently deceased at Waltham, (Mass.,) was throughout a beautiful illustration of pure benevolence and christian charity. As a merchant, he ranked among the earliest, wealthiest, and most distinguished in Boston; but it is to his enlarged and comprehensive exertions in the cause of charity — to the comfort which he carried to the abode of the poor and destitute — to the warmth which he communicated to the cheerless hearth of the widow and the fatherless — to the aid he gave to the suffering and the dying, — that we turn with the most unmingled satisfaction, and the sincerest admiration. He seemed to consider himself an almoner for the Almighty; and in the city of Boston, five hundred widows, and four hundred fatherless children, can testify to his liberality, which enabled the Trustees of the Fatherless and Widows' Society to extend their assistance wherever the aid of the society was needed or invoked. To thirty destitute widows in the city of Boston, Mr. Lyman has for two years past, sent a daily supply of milk; and all can estimate the advantages of this supply, where, as in many instances, it formed the principal food of small children. Of the Seaman's Aid Society he has for three successive winters purchased bed coverings, to be distributed in his walks of charity; thus, while relieving human destitution with one hand, stimulating honest industry and assisting meritorious institutions with the other.

The records of the institution of the Children's Friend Society, in Boston, enrolls his name as its largest benefactor. This charity embraces fifty small children, saved from the contamination of evil example, some of them surrendered to the Trustees by their dying mothers, that their departing spirits might find peace and happiness in the certainty that they would be carefully, kindly, and religiously brought up, and be protected, not only from the abuse, but from the vicious example, of careless or intemperate fathers.

And this man has gone to his reward, preceded by the prayers of the sick, the destitute, and the dying, and as encouragement to our enterprising merchants, who in the ardent pursuit of gain, too often lose sight of that charity which "never faileth." He died rich. Hear it, ye anxious seekers after wealth. He died rich in this world — with a large investment made in heaven. It may be laid down as a maxim, that no man ever reduced himself, or impoverished his estate, by an intelligent and active charity, but on the contrary, that his benefactions to the poor have, even in this world, been returned "ten fold into his bosom." We do not mean that ostentatious charity, which blazons itself forward, and requires excitement and public display to urge it on to action, but that pure and spontaneous benevolence, that free will offering of the heart, which, as in the case of Mr. Lyman, sought out those who shrunk oftentimes, with decent pride, from the exposure of want, and required to be searched for to be relieved; and among the number

whose prayers arose with the most fervency in his behalf, may be mentioned those who, depressed in spirit, and almost prostrated by the pressure of poverty, were relieved and saved, by some of the methods he was daily devising to extend the circle of his charities.

To all, and more especially to our merchants, who read this brief notice of Theodore Lyman, we say "go and do likewise."

"HITS AT THE TIMES."

We make the following extract from an admirable volume recently published by Lea and Blanchard of Philadelphia, entitled, "The Little Frenchman and his Water Lots, with other Hits at the Times, by George P. Morris," which is already nearly out of print. Our mercantile readers will recognize the *portraits* contained in these sketches:

Want of Confidence. — A little Frenchman loaned a merchant five thousand dollars when times were good. He called at the counting-house a few days since, in a state of agitation not easily described.

"How do you do?" inquired the merchant.

"Sick — very sick," replied monsieur.

"What is the matter?"

"De times is de matter."

"*Detimes*? — what disease is that?"

"De malaide vat break all de merchants, ver much."

"Ah — the times, eh? — well, they are bad, very bad, sure enough; but how do they affect you?"

"Vy, monsieur, I lose de confidence."

"In whom?"

"In everybody."

"Not in me, I hope?"

"Pardonnez moi, monsieur; but I do not know who to trust à present, when all de marchants break several times, all to pieces."

"Then I presume you want your money?"

"Oui, monsieur, I starve for want of *l'argent*."

"Can't you do without it?"

"No, monsieur, I must have him."

"You must?"

"Oui, monsieur," said little dimity breeches, turning pale with apprehension for the safety of his money.

"And you can't do without it?"

"No, monsieur, not von other leetle moment longare."

The merchant reached his bank book — drew a check on the good old Commercial for the amount, and handed it to his visiter.

"Vat is dis, monsieur?"

"A check for five thousand dollars, with the interest."

"Is it bon?" said the Frenchman, with amazement.

"Certainly."

"Have you *de l'argent* in de bank?"

"Yes."

"And it is parfaitement convenient to pay de sum?"

"Undoubtedly. What astonishes you?"

"Vy, dat you have got him in dees times."

"Oh, yes, and I have plenty more. I owe nothing that I cannot pay at a moment's notice."

The Frenchman was perplexed.

"Monsieur, you shall do me one leetle favor, eh?"

"With all my heart."

"Vell, monsieur, you shall keep *de l'argent* for me some leetle year longer."

"Why, I thought you wanted it."

"*Tout au contraire*. I no vant *de l'argent* — I vant de grand confidence. Suppose you no got de money, den I vant him ver much — suppose you got him, den I no vant him at all. *Vous comprenez*, eh?"

After some further conference, the little Frenchman prevailed upon the merchant to retain the money, and left the counting-house with a light heart, and a countenance very different from the one he wore when he entered. His confidence was restored, and although he did not stand in need of the money, he wished to know that his property was in safe hands.

This little sketch has a moral, if the reader has sagacity enough to find it out.

HUNT'S MERCHANTS' MAGAZINE.

No. II.

AUGUST, 1839.

ART. I. — THE COMMERCIAL RIGHTS OF NEUTRAL NATIONS.*

The "Commercial rights of Neutral Nations," — the subject of our remarks at this time, are founded on the Law of Nations, itself, the result of the civilization of modern times. It is scarcely necessary to add, that the system which we style the Law of Nations is not Law, as this word is understood, when applied to the internal regulations of a country. It does not emanate from superior authority, for independent nations, however variant in magnitude, wealth, or power, acknowledge no superior; nor is its infraction, like that of the civil regulations of government, visited by a fixed or determinate punishment, which law-writers term, the *sanction*. Doubtless a violation of the Laws of Nations subjects the wrong-doer to such penalty as the injured may choose, and be able to inflict; but there is not, nor of necessity can there be, any common arbiter of causes, with authority to determine national questions, and power to carry its determinations into effect. These rules are rather certain propositions of public justice, certain maxims embodying acknowledged principles, which the experience and accumulated wisdom of ages have collected, and which rest on the foundation, less impalpable than might, at first, be supposed, of the common conscience and moral sense of civilized man.

This system, which modifies the intercourse of nations in peace, and limits the severity of their hostilities in war, may be claimed as the proudest achievements of modern civilization. It may temper the involuntary humiliation with which we contemplate the fragments of Grecian genius, which have survived to us through two thousand years, and which, in the graceful arts — in poetry — in rhetoric — in philosophy, defy our rivalry, while they excite our wonder, — to reflect that this astonishing people, in humanity, in public justice, in common national honesty, were scarcely superior to the barbarians by whom they were surrounded. Piracy, avowed and prac-

* A Lecture delivered before the Mercantile Library Association of New York, March 19th, 1839, by WILLIAM KENT, Esq., and politely furnished by the author, at the request of the Board of Directors of said Association, for publication in our Magazine.

tised by the most polished republics; the received opinion that a State was bound to no duties, where no treaty existed; the unquestionable right to put prisoners to death, or reduce them, and their wives and children, to perpetual slavery, do not more attest the absence of public law than the career of their great conqueror. Sparkles of generosity and magnanimity could not but appear in the noble nature and dazzling genius of Alexander; but, throughout the wonderful course of this hero-boy, it seems never to have been dreamed of to inquire whether any cause of war existed against the nations whom he subdued; and, when weeping on the banks of the Hydaspes over the lassitude of his armies, a doubt of his right to devastate countries, whose names had never reached his distant Macedon, seems never to have suggested itself to the mind of the pupil of Aristotle.

In the successors to the fame and power of Greece, some ideas of regular public law may be observed, and appear to have been more congenial to the sober mind and graver dignity of Rome. But the end and object of the Romans were foreign warfare; and in the accomplishment of their destiny, cunning interpretation of treaties, sophistical evasions of compacts, cruel rules of war, and haughty triumphs, seem the attendants of their legions in their steady progress in the conquest of the world. And when the tide, at length, became recedent, and the God that had so long proudly extended the boundaries of the republic, commenced retreating, in the reign of Adrian, all law, all humanity, and all civilization, gradually corrupted and circumscribed, were irretrievably overwhelmed in the ruins of the Empire.

While the resuscitation and gradual improvement of Christian Europe, from the long continued debasement which ensued on the fall of Rome, is, perhaps, the most interesting and instructive portion of history, never, on the other hand, did the world present so dreary and hopeless a prospect as during the earlier half of the period of time designated as the dark ages. The state of society (if it deserve the name) differed from that of primeval barbarism, as the decrepitude of age from the weakness of infancy. It was not unformed, but decayed; not merely imbecile, but worn out. The noble language of Rome became corrupted into numerous and barbarous dialects, which the slow operation of centuries was required to form, again, into the mellifluous languages of Southern Europe. The libraries, formed with such difficulty and labor before the invention of printing, were irretrievably scattered by barbarian soldiery; while isolated manuscripts, containing, perhaps, the lost treasures of Cicero or Tacitus, were erased to make room for some monkish legend, at once fabulous, yet destitute of fancy. The rulers of the earth, even the illustrious one of France, who, in his character and the extent of his conquests, affords the best parallel to Napoleon, were unable to write their names. The Roman civil law, probably the noblest monument of human genius, and raised by the accumulated labors of a thousand years, gave place to absolute anarchy, except so far as the stern maxims of the feudal system intervened, by which the barbarians of the North were garrisoned, as it were, in the countries they had subdued, and secured in the licentious privileges of a military aristocracy. The destruction of trade — of manufactures — of almost every useful art; the degradation of agriculture to the feeble and unskilful labors of predial slavery; the depravation of morals, the indifference to faith, and the grossness of manners, during the 8th, 9th, 10th and 11th centuries, seemed to indicate that the empire of Chaos and Old Night were returning to cover the earth. Yet a philosophic observer, if we can imagine such a one to have existed during these times, might

still have perceived, under all these disheartening appearances, that absolute death, yet, was not, and that the pulse, though fluttering and low, still beat, and vitality had not entirely fled from the aspect of Europe.

So complicate and inextricably interlaced are the relations of all human events, and so feeble and limited the powers we bring to their examination, that we can scarcely designate, with confidence, the primary cause of the simplest transaction of individual life. How difficult, then, the task to pronounce the distant causes, by which government, and law, and order, and art, and science, were reintroduced among the kingdoms of Europe! Of all the causes, which have been pointed out by the historian, I have always been most impressed by the operation of two, which I the more readily mention as most directly connected with the creation of public law. I allude to the influence of COMMERCE, and of THE INSTITUTIONS OF CHIVALRY.

It is not my purpose, or part, to dwell on the usual effects of commerce in exciting industry, and producing wealth; stimulating the rude inhabitants of uncivilized countries, by precious luxuries before unknown, and by wants, though, in themselves, possibly selfish or frivolous, yet introducing civilization among nations, and rendering the earth fruitful of its produce. Neither is this the occasion to describe the early manufacture and trade of Flanders — causes mutually acting and reacting upon each other — nor the emigration of the Flemish artizans into England, and their encouragement by the wisdom of the 3d Edward, conduct far more useful and more entitled to his subjects' gratitude, than his barren laurels at Cressy and Poitiers. Equally striking, but beyond our plan, was the rise and confederacy in the 12th and 13th centuries, of the free Hanseatic towns, by which, in an age of barbarism, wealth, and civil right, and orderly government, and republican liberty, were planted, never utterly to fail, along the bleak and stormy shores of the Baltic: while on the Mediterranean commenced, still earlier, the more splendid career of the Italian Commercial Republics — Amalfi — Pisa — Genoa, and Venice — holding, for a long time, the gates of the "gorgeous East," and sole access to the wealth of "Ormus and of Ind," and forming, in their rise and decline, more than any other portion, the romance of History.

The inference, it is our design to draw from the fact of such extended commerce, is, that it must have tended, beyond any other cause, to the creation and general recognition of principles of justice and universal law. Commerce implies a jealous observance of rights of property. Commerce, between different nations, implies a reference to established customs, obedience to acknowledged tribunals, and the discrimination of the principles of natural justice. And so, what we could thus preliminarily suppose, we find confirmed by actual history. The word *stranger*, in modern Europe, ceased to be identical in meaning, as it had been in Latin, with the word *enemy*. The shipwrecked mariner remained no longer beyond the protection of the law, and his goods ceased to be permitted objects of confiscation and plunder. And community of interests, and increasing appreciation of the blessings of trade, lead rapidly to the circumscription and final extinction of ocean piracy.

While commerce was thus aiding the civilizing process in maritime countries, where trade could penetrate, the interior of the continent was benignly affected by the institutions of chivalry, commencing with Charlemagne and his paladins, nor ceasing till the discovery of gunpowder, and the inventions of modern science had destroyed the importance of individual valor.

Without minutely pointing out the features of this extraordinary system, we may remark, that it banished treachery, the universal vice of barbarism, and restored fidelity to engagements, which had sunk amid the corruptions, and wily intrigues, and mendacities of the Lower Empire. It induced courtesy to the enemy in the field, and humanity and generosity to the prisoners after battle. Well may history love to linger over the knights of the 14th century — over the Da Guesclins of France — and the Chandos and Black Prince of England: for by their conduct war was moderated in its terrors; and virtues, which antiquity but imperfectly knew — deep devotion — polished deference to the sex — candor, and modesty, and courtesy, and fidelity, became, for a long period, the distinguishing qualities of the European gentlemen! The deeper researches are made into this system, the greater becomes our admiration. A celebrated writer of the present day, of unsurpassed learning, and in the interest of liberty, can find nothing but unmixed good in the consequences of these Institutions. The lamentations of Burke over their fall are scarcely extravagant: and if it be true that “Cervantes laughed Spain’s chivalry away,” it remains a question of doubtful solution, whether his inimitable writings have done more good, or harm; and whether more pleasure or pain have been caused by the perusal of *Don Quixote*.

These two great causes have always appeared to me the primary motive powers, whence arose the movement of modern resuscitation. Other secondary causes, to which writers have attached importance, obviously proceeded from one or both of the antecedents we have mentioned; and none more evidently than the elevation and freedom of the female sex, which forms the peculiar feature of modern manners. This can not be so well explained as in the language of the profound and eloquent historian to whom I have already alluded.

“In a rude state of manners, in all ages, woman has not full scope to display those fascinating graces by which nature has designed to counter-balance the strength and energy of man. But as a taste for the more elegant enjoyment of wealth arises, a taste to which it is always her policy and her delight to nourish, she obtains an ascendancy, at first, in the lighter hours, and from thence in the serious occupations of life. She chases or brings into subjection the god of wine, and calls in the aid of divinities more propitious to her ambition. The love of becoming ornaments is not to be regarded in the light of vanity; it is rather an instinct, which woman has received from Nature, to give effect to those charms that are her defence; and when commerce began to minister to the wants of luxury, the rich furs of the north, the gay silks of Asia, the wrought gold of domestic manufacture, illumine the halls of Chivalry, and cast, as if by the spell of enchantment, that ineffable grace over beauty, which the choice and arrangement of dress are calculated to bestow.”

Having thus imperfectly alluded to the rise of modern civilization, I shall not pursue its majestic progress to its present splendors; and I will only allude to its wonderful discoveries and inventions, its arts and sciences, as causing a permanent distinction in the intercourse of nations, unknown to antiquity, by the immense superiority they have conferred, in war, on a civilized over a barbarian nation. There is no passage of history more deeply interesting than the effort of Archimedes, in the siege of Syracuse, to repel the Roman army. His burning the Roman galleys with his sun-glasses, and lifting them in the air with his levers and pulleys, were the un-

successful, because *premature*, struggle of science with mere physical strength. It occurred some centuries too soon.

The difference between the civilized nations of antiquity, and their barbarian opponents, though decisive in favor of the *phalanx* and the *legion*, was yet too slight to afford that confidence of power, which gives scope to the exercise of magnanimity and mercy. But, in modern times, the discovery of an obscure chemist, or alchemist, with the accumulated inventions of his successors, the art of fortification, and of attack, and, more than this, the concentrated art and science exhibited in naval architecture, and navigation, have placed, between civilized and barbarous people, a distinction as wide as separates untutored man from the beast of the forest, whom his intellect enables him to subdue.

It was under the increasing operation of such influences, as have been most imperfectly alluded to, that the modern community of Christian nations reached the commencement of the Seventeenth Century, under forms and maxims of government, varying in degree, rather than essence, from those now existing, and observing, in their international intercourse, practices and rules, which the present times do not entirely reject. But they were not governed by any precise and definite system, or, indeed, by any system whatever; and vagueness and obscurity covered the Law of Nations, which it required some mighty genius, like Bacon and Newton, to dispel and control. Such intellect was found in one, whom it was the glory of Holland to produce, and her shame to persecute — in Hugo Grotius, — whose character is thus given by Sir James McIntosh, who, in depicting another, was unconsciously, but not inaccurately, describing himself: — “Grotius combined the discharge of the most important duties of active and public life, with the attainment of that exact and various learning, which is the portion only of the recluse student. He was distinguished as an advocate and a magistrate, and he composed the most valuable works on the law of his own country; he was almost equally celebrated as an historian, a scholar, a poet, and a divine; a disinterested statesman, a philosophical lawyer; a patriot, who united moderation with firmness; and a theologian, who was taught candor by his learning. Unmerited exile did not damp his patriotism; the bitterness of controversy did not extinguish his charity. In times of the most furious civil and religious faction, he preserved his name unspotted, and knew how to reconcile fidelity to his own party, with moderation towards his opponents.”

The great work of Grotius, — his treatise on the Law of War and Peace, — should be read, not merely by every lawyer or statesman, but by every philosophic student, who would mark the epochs of the human mind, or examine those primary works of genius, which have apparently changed the destiny of man. The modern reader will be surprised to find, in this celebrated work, as, indeed, in the more celebrated treatises of Bacon, many examinations of doctrines, which, to him, are perfectly plain, many elaborate discussions of rules and theories, which he receives, at once, as acknowledged truths. Let it be remembered that Bacon and Grotius were the pioneers of modern science; that we criticise their works with aids themselves have furnished; and that to undervalue the hardihood of genius that led them, in the unknown regions of mind, to conquer prejudice and develop truth, is as if, amid the luxuries and comforts of our cities, we lessened the merit of the early settler, who encountered, unshielded, the severity of the elements, and with his unaided right arm subdued the forest and its ten-

ants. Nor will the modern reader be less surprised by the quotations and authorities with which Grotius supports his positions. He invokes the aid, not of lawyers or civilians, but of orators and historians, dramatists and poets.

Yet how beautifully philosophic was this invocation! In enforcing a rule, for the government of all, he shows that what many men of different professions, at different times, in different countries, unanimously affirm to be true and right, is, with propriety, to be acknowledged by all. In his labors you are reminded of the ingenious allegory, which represents truth given, originally, to man, as a perfect statue, but broken by his violence, and scattered in pieces over the earth. It was the part of Grotius to collect the precious fragments from various regions, and to reinstate the goddess on her crystal pedestal, in original symmetry and beauty.

This rapid, though most imperfect glance, at the origin of the Law of Nations, has encroached so much upon the time allotted to the consideration of neutral rights; a subject on which volumes, I might add, libraries, have been written by modern diplomatists, that I can do no more than touch on the subject to which I am about to advert. I shall address myself, therefore, but to one proposition, and limit myself, in it, to a summary history and explication of its nature and condition.

In the discussions that have taken place between neutral and belligerent nations, the former have insisted on the following propositions:

1. That free ships make free goods, thereby meaning, in the words of one of the writers, that the flag of a neutral vessel is inviolable as the veil of a vestal virgin, and absolutely forbids the examination of a belligerent cruizer.

2. Which is a corollary from the preceding, that neutrals have a right to trade from port to port, from colony to colony, and from the colonies to the mother country of belligerents, without being liable to search or detention, except for articles contraband of war, such as arms, ammunition, and, perhaps, naval stores.

The affirmative of these propositions have been maintained by the weaker maritime nations, by argument and arms, while the converse has been claimed, and with varied success, supported by the great naval power, which, from the time of Oliver Cromwell to the present day, has been paramount on the ocean.

The state of the question may be thus further explained. It was formerly, and, to a great degree, still is, the practice of European nations, owning colonies, to permit them, in time of peace, to trade only with the mother country, for the double purpose of supplying a market for the commodities of the mother country, and of furnishing, to the mother country, the peculiar commodities of the colonies. Such was the policy of England herself, and of France, and Denmark, and Sweden, and Holland, and Spain. But when hostilities broke out between any of the latter nations and England, they generally resulted in such entire predominance of the English fleets, that all direct trade between the mother country and the colony was annihilated. In such case, it has been the policy of the feebler maritime powers, to throw open, during war, their colonies to the trade of the world, that neutral vessels might supply their place, and carry to them the colonial produce, which their own vessels were prevented from carrying by the predominating force of the enemy.

Hence have arisen endless discussions, with much apparent reason on both sides, between England, always contending for the sternest rules of naval

war, and the neutral powers, like Russia, Denmark, and the United States, supporting the interests of peace. Say the English:—"We are at war with France—we have the right to possess ourselves of places belonging to France. By our decided superiority at sea, we do this with the French colonies, which depend on foreign supplies. These we can cut off, unless you neutrals step in, and save from our seizure, under your pacific flag, engross the trade with the colonies. This you will not do in peace, for the mother country would not let you. She permits it now, to escape from the effect of our victories. We will not permit you to injure us, and strengthen our adversary; and we deprive you of no privilege, since till we had driven the enemy from his monopoly, you were not allowed by him to share it." This is, in a nut-shell, the argument of England, and it certainly is not destitute of plausibility.

But the Russian, or the American, neutral replies:—"Every independent nation has a right to trade with all that choose to trade with them, and no third party has a right to limit this freedom of intercourse. We admit we have no right to carry arms or ammunition to your enemy, because likely to be employed immediately to your prejudice; nor can we enter a blockaded port, as we may thereby immediately defeat an expensive and laborious measure of hostility. But a trade with your enemy in sugar, cotton, hardware, or wines, does you no injury, except by promoting the general welfare of the enemies' country; and the stoppage of this trade will injure us, out of all proportion, more than its going on will injure you. You wish to injure us, that France may be hampered in her finances, and the spirits of your sailors kept up by occasional prizes, and your commercial jealousy indulged, under the pretext of following out legitimate warfare."

At this stage of the controversy, England, like Jupiter in the fable, has generally had recourse to her thunder, and the argument between nations, like too many verbal disputes between individuals, has ended in blows.

The English doctrine is known, among lawyers, as the rule of '56, having been promulgated in the year and war of 1756, when the French fleets were driven from the ocean, and Wolfe stormed the heights of Abraham, and the national supremacy was secured by the vigor of the elder Pitt, who, in the well-known language of his eulogist, with one hand smote the house of Bourbon, and wielded in the other the democracy of England.

A second, and memorable epoch in the history of this rule of law, occurred in the year 1780, when was formed the celebrated league of the Northern Powers of Europe, called the "Armed Neutrality." The circumstances of England were wonderfully changed. The American rebellion had become a revolution. Burgoyne had surrendered; Clinton lay cooped up in New York; Cornwallis was vainly marching and countermarching in Carolina; Rochambeau and the French army had landed at Rhode Island; and France, with Spain, having openly declared war against England, was contending on the ocean with her ancient rival, with equal valor, and not unequal success. At this period, Catharine II. was Empress of Russia, whom, with her neighbor, the great Frederick, Gibbons contrasts with the Bourbon kings of Spain and France, in his well-known sentence, which gave so much mortification to the unfortunate Louis XVI. "A Julian or Semiramis may reign in the north, while Arcadius and Honorius slumber on the thrones of the south." At this time, when another great nation of the world is subjected to a female reign, it may be pardonable to linger a moment over the character of Catharine. It was the remark of Napoleon that

female reigns were dangerous, as the government was influenced more by the heart of the sovereign than the head. But it may be well doubted if this ungallant remark is sustained by history. It was "the fatal gift of beauty," and not the diadem, that brought misery on the Egyptian and the Scottish queen; and rarely, by masculine sovereign, has the frailty of the heart been more restrained than by Zenobia and Elizabeth. But Catharine of Russia was masculine in her mind, her taste, her virtues, and her vices. The sanguinary violence with which she seized the sceptre, — the unfaltering grasp with which she held it, — the schemes of conquest she partly executed, and partly left for, perhaps, her grandson Nicholas to complete, — her personal magnanimity, — her utter indifference to human carnage — form a life and character foreign to her sex, and in which we see,

"Much that we love, and more that we admire, and all that we abhor!"

This sovereign will, at all events, live in the records of commercial law. In 1780, her minister delivered to the Courts of London and Versailles, her declaration, setting forth the principles of maritime freedom, to which I have already adverted, and accompanied it with the explicit avowal, that she "had fitted out a considerable part of her naval forces, and if forced to depart from the strict and rigorous neutrality, which her Imperial Majesty was resolved, religiously, to observe, her fleet will be ordered to act in this extremity, wherever her honor, interest, and necessity, should require." To this declaration the king of France gave his immediate adhesion, avowing, what at that time was not deemed precisely accurate, that "he had no other object in the war, in which he was engaged, than his attachment to the principles of perfect liberty at sea." Spain, of course, assented; and Denmark and Sweden forming alliance with Russia for mutual co-operation of fleets, the confederacy was enabled to give irresistible force to their pretensions. To the action of this powerful league, the conduct of England is thus described by one of her writers: — "Solitary, and abandoned by the whole world; struggling with a fatal schism among her own children; opposed to all the greatest maritime powers of Europe, to the continent of America, and almost to the continent of Asia; without a single ally, and before her ancient vigor shone out under Rodney, nothing could be more fair and honorable than the conduct of Great Britain." The king of Great Britain declared that, "strongly attached to her majesty of all the Russias by the tie of reciprocal friendship, and common interest, he had given the most precise orders respecting the flag of her imperial majesty, and the commerce of her subjects, according to the Law of Nations, to which he would adhere with the most scrupulous exactness; and that if irregularities should occur, the Courts of Admiralty would redress every hardship in so equitable a manner that her imperial majesty should be perfectly satisfied, and acknowledge a like spirit of justice which she herself possessed." The peace which followed our revolution, left the rule of '56 in this condition. In reading similar descriptions of England's facing a hostile world, which she has often done, and which her writers love to describe, we may remark, that it proves, indeed, the spirit of our ancestral island, and if it proved any thing more than spirit, our applause would be more unmingled. But there has been another nation, whose hand has always been against every man, and every man's hand against it, simply because Ishmael's ideas of property and travellers' rights, are similar to the regulations of the English code of belligerents' privileges.

The third epoch of the rule of '56 occurred in the commencement of the present century, when the situation of England, as to universal hostility, was, with the exception of America, not unlike that of 1780; and the armed neutrality was attempted to be renewed, but with widely dissimilar results. Napoleon, then First Consul, by the battle of Marengo, had broken up the coalition against France, and crushed, for a time, the power of Austria. Paul, the Emperor of Russia, in the vacillation of his later life, from the enemy had become the admirer of Napoleon, and through his influence, on the 16th December, 1800, a new league was formed between Russia, Sweden, and Denmark, re-affirming the great principles of the armed neutrality, and reciprocally engaging to make common cause in defending each other. It may afford some light to those, among us now, who suppose that Great Britain is unable to undergo the expenses of a war, to remind them that in 1801, as Mr. Addington, then Chancellor of the Exchequer, exhibited, the public expenditure amounted to more than £68,000,000 sterling, exceeding the income by about £30,000,000; yet, with this immense burden, she threw down the gauntlet to combined Europe, and supported her maritime doctrines with a vigor that will be memorable in history. Perhaps naval annals record no events more interesting, in all its associations, than the British expedition to Copenhagen, in 1801. The passage of the Sound, where the commerce of the Baltic pays hereditary tribute to the Dane, between the picturesque and varied hills of Sweden, and the rich plains of Holstein—the spot which the genius of Shakspeare has hallowed, with the imaginary musings of the philosophic and melancholy Hamlet—the conduct of Nelson, commencing battle with a part only of the squadron—turning his blind eye to his commander's signal of recall, and at the crisis of his fate, by heroic diplomacy, sealing and despatching a note to the Crown-Prince, which converted defeat into victory—the noble valor of the undisciplined citizens of Copenhagen, crowding to the batteries to die, by thousands, for their country and homes. These remembrances will throng the memory, as in the words of Campbell's splendid ode, we

" Think of them that sleep,
Full many a fathom deep,
By thy wild and stormy steep,
Elsinore!"

Contemporaneously with this battle was the death of the Emperor Paul, who was cut off by (what Tallyrand called the natural death of a Russian prince) assassination, and Napoleon did not scruple to ascribe his demise to the machinations of England. "Paul I." says he, "died on the night of the 23d March. The English fleet passed the Sound on the 30th. History will unveil the connexion between these events."

Alexander, who succeeded on the throne of Russia, inclining to policy adverse to France, the Baltic confederacy was dissolved, and the English maritime pretensions received, in 1801, the sanction of success.

In the fourth and last stage, under which the rule of '56 has displayed itself, as in the first, the United States have been a party, and our last war with England is to be attributed directly to our denial of this rule of marine law. It will be perceived that to a nation who denies the doctrine that "free ships make free goods," or that neutrals may enjoy the colonial commerce of belligerents in war, from which they are debarred in peace; the right of search of neutral vessels is absolutely essential. It is a necessary consequence of their primary pretensions; and, although under certain limi-

tations, it has never been entirely denied by the United States, to its universal application, and the pretensions of England, who applied it not merely to the search for enemies goods, but for their native seamen in our vessels, that the war of 1812 is to be ascribed.

When, after the short peace of Amiens, the wars of Europe recommenced, and the death conflict between England and Napoleon ensued, which terminated only at Waterloo, the questions of colonial trade speedily engaged the attention of diplomatists. The French fleets were almost immediately annihilated at Trafalgar, and all the trade which France, or the numerous countries in her alliance, or under her influence, could enjoy, was, through the utter predominance of the British navy, limited to that carried on under neutral flags.

In the year 1806, a clever pamphlet was written by Mr. Stephens, an English lawyer, afterwards an eminent member of Parliament, entitled, "war in disguise," describing a state of commerce, natural enough, and right enough to our neutral feelings, but well calculated to excite the indignation of the English, to see that their treasure and blood had been lavished to no effect. France, Italy, Spain, Holland, Austria, (reduced to the single port of Trieste, and beaten down in the bloody fight of Austerlitz,) and Northern Germany, constituting the greater part of Europe, were all excluded by the English squadrons from foreign commerce; but Denmark and Prussia were ostensibly, and the United States of America were really, neutral; and this neutrality sufficed to cover the ocean with commerce, which surpassed the English. "Not a single merchant ship," says the pamphlet to which I have alluded, "under a flag inimical to Great Britain, now crosses the equator or traverses the Atlantic. With the exception, only, of a very small portion of the coasting trade of our enemies, not a mercantile sail of any description now enters, or clears, from their ports in any part of the globe, but under neutral colors. But enormous is the amount of the produce of the new world poured into the south, as well as the north, of Europe, under cover of the neutral flag. At Cadiz, Barcelona, and other Spanish ports, neutral vessels are perpetually importing the sugar of Havanna, the cocoa, indigo, and hides of South America; the dollars and ingots of Mexico and Peru; and returning with European manufactures, the rivals of our own. Hamburg, Altona, and Gottenburgh, are glutted with the produce of the West Indies, and the fabrics of the East; and by the rivers and canals of Germany and Flanders, they are floated into the warehouses of our enemies. They supplant, or rival, the British planter and merchant, throughout the continent of Europe. They supplant even the manufactures of Manchester, Birmingham, and Yorkshire, for the looms and forges of Germany are put in action by the colonial produce of our enemies. Antwerp has become the favorite haunt of the American West-Indiamen. Beyond the Atlantic, Cayenne is prosperous, and the Isles of France and Bourbon are becoming warehouses for the commerce of Batavia. The gigantic infancy of Cuba is aided in its portentous growth by boundless liberty of trade, and the perfect security of carriage. In short, all hostile colonies, whether Dutch, Spanish, or French, derive, from the enmity of Great Britain, not inconvenience, but advantage. Happy has it been for them, that the naval superiority of their enemy has been too decisive to be disputed. They may say, as Themistocles to his children, when enriched, during his exile, by the Persian monarch — 'we should have been ruined, if we had not been undone!'"

The author then shows that the rates of insurance, on British vessels sail-

ing with convoy, are four times greater than those of neutrals. While the latter are moreover insured at Lloyd's Coffee-house in London, and are insured, too, even against legal captures by his majesty's cruisers, upon which the author reads a moral lecture to that impracticable class, the English underwriters, who, like our gentlemen of the Stock Exchange, will regard contracts of honor, though unsanctioned by law.

To restrict this trade by a rigid enforcement of the rule of '56, became the employment of the English Court of Admiralty, over which then presided the celebrated Sir William Scott, the brother of Lord Chancellor Eldon. These brothers, sons of a Newcastle coal-merchant, became, it is well-known, by talent and assiduity, the most accomplished and richest lawyers of the age, and though plebeian in birth, effective champions of the aristocracy of England. But Sir William Scott is best known to us by his unremitted, though unavailing efforts, to control the neutral trade of the United States.

There was reason enough to believe that this immense trade, of which we have spoken, was carried on, in part at least, by the concealed capital of the enemies' countries. "Merchants," says our friend of the pamphlet again, "who, immediately prior to the last war, were scarcely known, even in the obscure sea-port towns at which they resided, have suddenly started up as sole owners of great numbers of ships, and sole proprietors of rich cargoes, which it would have alarmed the wealthiest merchants in Europe to hazard, even in peaceable times. A man, who, at the breaking out of the war, was a petty shoemaker in a small town of East Friesland, had, at one time, a hundred and fifty vessels navigating, as his property, under Prussian colors. The cargoes of no less than five East-Indiamen, composed of the richest exports of Batavia, were the contemporary purchases of a single house at Providence, in Rhode Island, and were all bound to that American port. One neutral house, inconsiderable before the war, had contracted for all the merchandize of the Dutch East India Company at Batavia, amounting to £1,700,000 sterling.

The mode in which the litigation between the Courts of Admiralty and the neutrals grew up, and was conducted, was something in this way:—The English government dared not venture to exclude America, the near neighbor to the West Indies, from buying her necessary commodities in the colonial markets of France or Spain, while shut out by law from the British islands. This would have been too harsh a monopoly; and instructions were accordingly issued to his majesty's cruizers, "not to seize any neutral vessels which should be found carrying on trade, directly, between the colonies of the enemy and the neutral country to which the vessel belonged, and laden with property of the inhabitants of such neutral country."

Again, it was never doubted that a direct trade might, by the Law of Nations, be carried on between America, a neutral nation, and the mother countries, as France and Spain, direct, if no actual blockade existed at the port of destination.

American ingenuity, out of these two permitted direct trades, soon constructed a circuitous trade quite as effective, and almost as convenient, as neutrals could desire.

The first method of the neutrals was to clear from Havanna, or Martinique, for some port in the United States, and then, when examined by a British frigate, though laden with coffee and sugar, instead of rum or molasses, the ordinary home cargo, the letter of instructions protected them from the hungry captors, and the vessel was allowed to proceed. Arrived at Charleston,

or New York, a new voyage was immediately projected. The old ship papers were given up, not a document was left disclosing the fact that the cargo was taken in at a colonial port; and new bills of lading, invoices, clearances, and passports, were put on board, all importing that it had been shipped in America; and the vessel sailed for Europe, to slip into the first port she should find unguarded.

This practice went on very well, till a ship sailing from Havanna to Charleston was stopped by a British privateer, and her papers being perfectly clear, was allowed to proceed. After a stay of a few days in that port she sailed, apparently for Hamburgh, really, perhaps, to Spain, with an entire new set of papers, but was unluckily encountered by the same privateer, who recognised the ship, the crew, and the cargo. The case came before Sir William Scott, who condemned the ship, on the ground that the voyage was a continuous one, and three circumstances, he said, must concur to break the continuity of the voyage; — 1st, the cargo from the colony must be landed in the neutral country; — 2d, the duties, on importation, must be paid; and, 3d, the insurance must terminate in the neutral country.

The first requisite of the landing of the cargo, was readily complied with by the Americans, as the repairing of a vessel in the West India trade, in their own ports, either on the outward or inward voyage, was, if not necessary, quite advantageous and convenient.

The second rule, as to insurance, was complied with in an equally satisfactory manner; and where they had previously insured from Havanna to Hamburgh, with liberty to touch in America; they now insure for two voyages, first to America, and second from America to Hamburgh. This was not only a compliance with the English rule, but it was found to be cheaper in point of premium, and John Bull's wishes were therefore readily obeyed.

The third requisition, as to payment of duties, was equally well performed. Our revenue laws allowed bonds for duties, on cargoes destined for re-exportation, which bonds were discharged on the production of debentures, and other instruments, certifying the re-exportation of goods. Thus the duties were paid, in the eye of the law, and Sir William Scott's three requisites, so elaborately excogitated, left the neutral trade exactly as it was found.

In vain did the British Courts vary their decisions to meet the ever-varying ingenuity of the neutrals. Proteus himself never changed his form more rapidly, until at length the Court gave up in despair the pursuit of the American merchant, and the panting lawyer toiled after him in vain. The English government was obliged to have recourse to the sweeping tyranny of the orders in Council, which prohibited all trade of neutrals, and which may be attributed, certainly as much to the American trade, as to the Berlin and Milan Decrees of Bonaparte, to which they profess to be merely retaliatory. And the conclusion of the whole, was the war of 1812, in which, after three years hostilities, like the last chapter of *Rasselas*, nothing was concluded. And the rule of '56, having passed through three eventful wars, undetermined, remains to furnish aliment for the wire-drawn disquisitions of ambassadors, and the more summary, but not always more effectual diplomacy of sailors and soldiers.

In ascribing to such causes the last war, it might also be added, that the style and temper of the negotiations must have been productive of great exacerbation of feeling in the United States, and in reading over the correspondence of ministers, after more than thirty years have intervened, it is im-

possible not to feel admiration at the ability, and a glow of indignation at the spirit, with which it was conducted on the part of England.

The Secretary of State for Foreign Affairs, during the most momentous era of our negotiations, when the Chesapeake frigate was attacked by the Leopard, and the embargo was laid, was George Canning, whose name belongs to the history of the world, but is not favorably inscribed in our own. Rarely does the individual talent of an ambassador display itself under the most cumbrous drapery that ever enveloped the thoughts of men, I mean, the conventual phraseology of diplomatists. Their pompous periods, and swelling phrases, seem indeed invented (as one of the most eminent professors of the art said of language in general) to conceal their thoughts; and every thing vapid and dull, except the ludicrous etiquette, with which "the undersigned seize every opportunity to renew to each other assurances of their much distinguished consideration." The pungent sarcasm and varied talent of the author of the *Anti-Jacobin* surmounted those obstacles, and impressed his correspondence with the qualities of his oratory. His skillful statement of the question, his adroit evasion of argument, his glowing invective against the tyranny of France, his half uttered insinuation of our co-operation, the ingenuity of his logic, and the richness of language and illusion, will be perceived in his negotiation as well as in his oratory; while the point of his wit is felt by the American reader with vexation, divided by involuntary esteem for its keenness and its polish. Such, for example, was his letter in September, 1808, much too long to be quoted, wherein, in answer to some incautious remarks of Mr. Pinckney about the embargo, which, it will be remembered, was intended as a measure of great severity towards England—he says: "His Majesty would not hesitate to contribute, in any manner in his power, to restore to the commerce of the United States its wonted activity; and he would gladly facilitate the removal of the Embargo as a measure of inconvenient restriction upon the American people."

The same spirit manifested itself in 1826, in his correspondence with Mr. Gallatin on the West India trade.

But the wit of diplomatists should be cautiously exercised. It falls upon sensitive ears. And when excited nations hold parley upon real or supposed rights, and felt or imagined grievances, a joke has been known to cost a crown, or drench a country in blood. But peace to the memory of George Canning!—When he sunk at last, he had few sincerer mourners than in America. It was not to the cajoling speeches at Liverpool in 1824, that we forgave him, when he talked of England and America, "as the mother and daughter," for we remembered that under his guidance the mother had been but a step-dame to the offspring. It was not for the transient liberality of his late years that we forgave him, for we contrasted it with a life devoted to the service of power. We forgave him, for the genius which led him to victory in the cabinet and debate—for "his beautiful fancy, his elegant wit, his manly courage, and all the splendors of his astonishing eloquence."

Nor is our patriotic pride wounded by the reflection that the cause of our country was in those troubled times confided to inadequate hands. Pride and exultation rather will be excited, as we observe the ability and learning with which the arguments of peace were conducted by the same distinguished statesman, who also wielded, with discretion and firmness, the weapons of war. We are now in the position of posterity to James Madison, and in an examination of his conduct, conducted in entire freedom from party spirit, we look in vain for the materials of the fierce hostility which were kindled

against him, by some of his contemporaries. As a negotiator, he opposed foreign pretension with an ingenuity, learning, and talent, which Europe admired. President of the Union, he resorted to arms, only when war became inevitable, unless, in his language to Congress, we should concede that "on the element, which forms three fourths of the globe we inhabit, and where all independent nations have common rights, the American people were not an independent people, but colonists and vassals." Through the war thus produced, he conducted his country with external success, and with the higher praise, of never violating in the smallest particular, the refined constitutional liberty of the source of peace. Be this his praise; and be our feelings gratitude to him,

"The Pilot, who weathered the storm!"

ART. II. — THE THEORY OF MONEY AND BANKS.

The Theory of Money and Banks Investigated. By GEORGE TUCKER, Professor of Moral Philosophy in the University of Virginia, and Member of the American Philosophical Society.

IN the necessarily brief account of this work, given in our last, we were unable to enter into any examination of those points which involve the disputed questions of the present day. For the purpose then in hand, it was sufficient for us to express general confidence in the principles of the author and the spirit of his book, without foreclosing ourselves from an opportunity, at a subsequent moment, of presenting our own views upon some of the particular propositions contained in it. To the end of doing this more satisfactorily, we have again gone over it, and it gives us pleasure to state, that the second and more deliberate reading, has confirmed us in the favorable opinion created by the first.

In truth, an elementary work of this kind was much needed in the United States, where, notwithstanding the universally trading character of our population, crude notions upon the subject are very prevalent. The connexion between the currency and banking, and the causes of the fluctuations in the circulating medium, are very little understood; less, perhaps, than they would have been, had not a large admixture of political feeling, passion, or prejudice, taken place in every discussion respecting them, of late years. The monstrous proposition of an exclusively metallic medium has been started by one class of politicians, perhaps least of all qualified to judge of its probable operation, with views not entirely limited to the amendment of the currency; whilst another, and larger body, have confined themselves to a more general denunciation of the system of credit, carried on in a tone which appears, to a calm observer, to partake quite as much of mortified pride as of disinterested patriotism. The fact cannot be denied by any one, that the pecuniary affairs of the United States have, latterly, been subjected to most unnatural and excessive irregularity of impulse—and that this has been most sensibly the case ever since the subject has been subjected to the caprice of partisan legislation. The truth must, sooner or later, make itself felt, even by the obtusest sense, that money cannot be dealt with in a manner at variance with the natural laws which regulate its movement, without producing public embarrassment. It has a force of its own which escapes the

power of laws. If a body of men could be supposed arbitrary enough to decree that gold and silver should be the only medium used in the settlement of all debts, or payments of every kind whatsoever, they would decree nothing but an absurdity, which the first disposition of a debtor's assets would sufficiently establish. So if they were to declare, by statute, that credit should be abolished, it would exist not the less firmly, by mutual understanding. A horse, a cow, a bale of cotton, or an acre of land, will serve, *pro hac vice*, the purpose of a tender, in payment of debt, provided always, the creditor is satisfied in his mind that he shall not do better by refusing them, and insisting upon gold or silver. We are stating extreme cases, because such only can be used to illustrate the tendencies of our legislation. One of the lessons we have yet to learn in America, is that of understanding the limit to which laws should go. Nothing positively impracticable, nor excessively inconvenient, nor easily to be evaded, nor purely of a moral nature, can be fairly regarded as within the scope of a statute. We regard it as most dangerous to our free institutions, to admit of a violation of any law with impunity. But all trifling, or unjust, or capricious injunctions, will be violated, and that violation will inspire a habit of disregard of all law, even of that which is most essential to the general security. We have lately seen, in some States, attempts to prescribe the quantity in which ardent spirits shall be sold, and the highest price which shall be demanded for board and lodging; and if the present rates of all domestic commodities continue, we shall not be surprised to find suggestions made of fixing, by law, the maximum at which they shall be sold. To be sure, this is an antique notion, exploded by the progress of knowledge; but even antique notions appear to return upon us with almost the regularity of our fashions. Butchers are found to combine not to buy cattle of drovers, and citizens combine not to buy meat of butchers, just as if these were the modes of attaining the desired equality between demand and supply. People do not reflect that if beef is very high, the profit of raising cattle will become so great as to induce the only true remedy, a multiplication of them. The dearer an article becomes, the smaller does the class of persons grow who feel themselves able to afford it. Hence, whilst on oneside the demand diminishes, on the other the supply increases, until the price graduates itself to the ordinary rate of living profit, which sustains every interest in the community, far more unerringly than any laws or combinations can do. Exactly the same rule applies to the subject of money itself, which is thus applied to commodities. Legislation will not regulate the demand nor the supply, though it may do much mischief in the attempt. We think it would rarely be tried, if only a sufficient degree of attention was paid to the principles which Professor Tucker has endeavored to extend the knowledge of in the present work.

In the first and least debatable part of the author's treatise, we can recommend, most particularly, that chapter which has for its title, "The circumstances which determine the amount of circulation in different countries," and those which treat of a single or double standard of value. Perhaps the most unfortunate measure of Congress, that has lately been adopted, was that commonly called the gold bill, by which a preference was given to gold, as currency, though it cannot, in the nature of things, serve as such in the United States, (or not, at least, until a great and highly improbable revolution in our bank-note system shall take place,) and inducements were presented to the rejection, or exportation, of silver, which must have the effect of confining the extent to which that metal might otherwise be expected

readily to circulate. Half dollars form the most convenient of all our pieces of coin — are least of all hoarded — and most quickly adapt themselves to the channels of communication throughout the Union. Had the national legislature adapted its system more to what was practicable, and less to party visions, by assuming silver as the only standard, whilst it admitted of payments in gold, according to its value estimated in silver, and by charging a sufficient seignorage at the mint for coining, to prevent the melting which now constantly takes place, we think it would then have exercised all the beneficial influence over the subject of which it is capable. But the reason why it did nothing of all this, but a great deal that was contrary to it, probably was, that a majority of the representatives not then having an impartial work, like Professor Tucker's, at hand, to teach them what to do, preferred, in their indolence, to follow the bugle call of a political file-leader, rather than be at any pains to investigate the truth.

In the fourth chapter of the first part, which treats of the cost of a metallic currency, we perceive some observations upon the proportion which the circulation of the United States bears to its income, or the annual value of its products, which appear to us not to have been thoroughly well considered. The topic is one which we regard, at all times, as rather curious than useful to discuss, inasmuch as there is very great difficulty in arriving at any facts upon which calculations can be safely based. The author, in taking up such an estimate of the circulation as that made by Mr. Webster, in a speech to the Senate, in March, 1838, for the purpose intended, has adopted a course not free from objection. Neither of the two years, 1837 and 1838, were years in which the currency could be said to be in a natural or sound state; because the first commenced with a paper circulation, which had been swelled beyond all bounds by the extension of the banking system; and the second was the period of reaction, when even the ordinary channels of trade were in a state of unexampled stagnation. It is, therefore, obviously absurd to infer any thing respecting the actual amount of the annual products of the country, or of the capital used to produce them, from any valuations which could have been made of them in currency during those years. The *nett* amount of currency (paper and coin) circulating at the close of 1836, when the bank issues had reached their maximum, did not probably fall below \$150,000,000 — an amount more than double what it is supposed to have been in 1830. Now if we were to attempt any inference respecting the increase of the annual produce, and through that of the capital of the country, to any corresponding extent, to those issues, we should at once, by the extravagance of the conclusion, become sensible of our error. For we should have to affirm a proposition not much less extraordinary than this, that that capital had accumulated from \$2,803,704,945, which is the author's estimate for 1834, to \$15,000,000,000, within the space of three years. Yet a hypothesis of this kind was made the basis of an explanation of our difficulties, by Mr. Webster, in the Senate, not more than a year prior to the suspension of specie payments. Such facts as these should warn us to be very cautious of forming our calculations upon incompetent materials to sustain them. No idea of the actual property of the United States, considered as a nation in a healthy action of its system of currency, can be formed from the estimates of 1836, or later. It is not impossible that such might be derived from a review of the years between 1822 and 1832, when, if ever, the circulation was in a healthy and prosperous condition. But least of all could it be drawn from a year of convulsion, like that of 1837-8. In the first

place, the disposition to make any contracts which required money, was much diminished by the suspension of the use of the legal standard; whilst in the next, that suspension itself had prevented the prices of all commodities from settling to the level of the natural demand. As a consequence of this state of things, the actual sum of currency was not, in fact, so much reduced as it was changed in its character. The nett amount of paper issued by the banks, upon the call of the business men, was, it is true, seriously diminished, and nearly all the coin, which usually answers the purposes of change, went out of circulation; but, on the other hand, a great quantity of spurious local currency was substituted, which, however little possessed of the attributes of money, did, for a time, serve the purpose, and must therefore be calculated in every estimate. This local paper, which went under the vulgar denomination of shinplasters, was created by individuals, as well as corporations and towns, for sums as small, in some instances, even, as sixteenths of a dollar, and circulated for no other reason than the necessity of the case. Although it had no effect upon the commercial interest, which ordinarily sets in motion the greatest portion of the currency, and which was at that period greatly depressed, it contributed, doubtlessly, very considerably to the artificial maintenance of a brisk exchange of domestic commodities, and consequently of their prices. It is impossible to give any estimate of the amount of this shinplaster currency; but when we consider that it circulated most largely in all those States where the banks were prohibited from issuing notes below five dollars, and that in Philadelphia alone, the sum uttered in one single year, by corporations only, was equal to nearly \$1,000,000; it may, at once, be perceived how important a part of the currency this paper must have been throughout the Union. When, therefore, Mr. Webster estimated the circulation of the country, both paper and metallic, as equal to \$130,000,000, in March, 1838, we are inclined to believe it was an understatement, and that the actual amount of substance, of every denomination, passing as money, was not very much below what it had been the year before. We should not otherwise be able to account for the continuance of the high prices of all commodities, provisions, and labor, which could not but have been much more affected than they were if we are to believe twenty millions to have been taken out of a circulation of \$150,000,000, within a space of only twelve months.

But we repeat, that we are not of those who think that because the currency has swelled, within a few years, from \$70,000,000 to \$140,000,000, it is indispensably necessary to infer that the sum of the produce of the country, or its capital, has increased in a like proportion. A great deal may be allowed for a difference in valuation. Cotton and flour, land and negroes, have all partaken of the influence, and have not, as yet, subsided to the level of the foreign rates. They are, however, doing so notwithstanding all the artificial contrivances adopted to prevent it, and in the process, must operate a reduction of the valuation, productive of great personal sacrifice. In the mean time, however, a great deal more currency is necessary than was formerly the case. A laboring man must receive twice as much for a day's work as he did ten years ago, to pay for just the same daily wants. He is little better off by the change than he was, yet he puts in motion twice as much money as he did, and the estimate of his labor made by his employer necessarily doubles also. We are, therefore, not so much surprised as the Professor appears to be, at the magnitude of the sums to which the annual income of the country would amount, if it was estimated in the ordinary pro-

portion to the money it sets in motion. The error seems to us to lie in the supposition that it is now possible to make any estimate of the country, from the present valuation of its produce. In the first place, it is necessary to deduct from the former an enormous foreign debt, not probably less in amount than \$400,000,000, which does not affect the latter. In the second, the assessed valuations of capital in the United States, bear no proportion to the amount of annual produce like that which he assumes. All new lands yield far more than ten per cent. upon the capital and labor employed upon them, and old lands are assessed very low, usually to only half their actual value. Thirdly, the amount of circulation required by the annual produce, is equal to the gross amount of that produce, without any deduction for the cost of creating it. Lastly, the prices of produce in 1837 bore no proportion to the valuation of capital made in 1834. For these reasons, we think it perfectly fair to consider the annual produce of 1837 as having been equal, in value, to ten times the amount of the currency of that year, without, thereby, being understood to affirm that the capital of the country has increased in any similar ratio. In other words, our opinion is that the inflation of the currency, which took place in 1836-7, has put us into a very improper condition for calculations of the kind which the author has attempted to make, and which can only be good for any thing in those moments when neither partisan politics, nor gambling speculation, have any control over the issues of money.

That the proportion of ten per cent. between the currency and the annual produce of the country was, however, preserved, we have some trifling data to show, at least in one State. For in the year ending April 1, 1837, Massachusetts required a return of the value of the product within its limits, during that year, and this gave, as a grand total, \$86,282,616, without including any portion of the value of the agricultural proceeds of the State, which, though not embraced within the scope of that call, must yet be admitted into our estimate. The circulation during about the same period, was equal to \$10,892,249, in bank notes, without any allowance for the coin current for the purpose of change; under one dollar. We think, from this view, if we were to add the agricultural products, and allow for the admitted incompleteness of the return, and on the other hand to deduct something for the amount of notes *in transitu*, while we add the coin, it would not be very unfair to consider the produce of the year 1837, according to the valuation then made in Massachusetts, as just about in a tenfold proportion to the currency required to sum it. If in any thing there is error, it is in understating the produce, and yet the author of the present work appears to consider it impossible that the annual produce of the country, generally, should have equalled \$15,000,000,000. But if we consider the relative importance of Massachusetts, the facts that she has none of the great staple articles of the country, and is not among the largest states of the Union, either in population or resources, it surely is not so incredible that the twenty-five others, including the cotton and flour, the tobacco, rice, and sugar regions, should produce, together, fourteen times as much as she did. We repeat, then, that the error is not so much in maintaining the currency to continue in a proportion of ten per cent. to the valuation of the annual produce, as in supposing that any inferences can now be drawn of the amount of capital used from the valuation put upon that produce. We are, as yet, under the operation of the extraordinary expansion of the years 1834 to 1837; and no judgment can be

formed of our real condition, until it is satisfactorily proved that the circulation can be permanently established upon the footing of that expansion.

After all, we are not very sure that the discussion is a useful employment of time; for there is so much difficulty in arriving at any definite results, and so many elements not easy to be calculated, enter into the demand for currency in a country at any given moment, that no conclusion respecting it can reach much beyond the dignity of conjecture. Credit has, of late years, exercised such a power of expanding and contracting the circulation of the great commercial countries of the world within very short spaces of time, that it becomes far more important to look at it in the light of a cause, than simply to study its effect. The great question which is now agitated by all the political economists of the age, is, whether any effective restraints can be placed upon the use of credit in banks of circulation. We do not perceive that Professor Tucker has gone into this quite as fully as we should have expected. It is a subject of serious consideration for all countries where the currency is in a great part made of paper of private corporations, which is only the representative of value, whether any system can be devised by which the danger of loss to the community, from the failure of its representative character, can be avoided. Many of the writers in England, where the whole subject is better understood than in any other country, now incline to the opinion, that the power to issue bank notes as money cannot, in any manner, be made safe in private hands, and that it should remain exclusively with the sovereign authority of the state. Without assenting to the reasoning that brings them to this conclusion, we cannot at the same time avoid admitting, that with all the legislative precautions recommended by our authority, and with all the foresight which can be reasonably anticipated to be exercised by the wisdom of our governments, whether state or national, the recurrence of occasions when our bank note currency must cease to be convertible into gold and silver, cannot, in all probability, be avoided. The events of 1837, has thus far given rise to nothing in the way of amendment of the errors which caused it, unless, possibly, we should consider the free banking law of the state of New York as of that character. We are, therefore, exactly as much exposed to the course of events which brought on that catastrophe, as we were before it happened, with the single exception of that law. Here, again, we had hoped the Professor would have grappled with the subject, and explained his views of the probable operation which the law would have in preventing the dangers of a redundant circulation; instead of which, he has simply confined himself to a calculation of the profits which may be gained by individuals who avail themselves of it. To the community, the free banking law is of no consequence, if it does not provide a better safeguard against losses by notes which pass current as money, than they had before. From all the reflection it has been in our power to give to the subject, we should incline to believe that it does attain this object in a degree, but not to so great an extent as was expected by its framers. The defect of all the New York legislation upon banking, of late years, appears to us to be, that it has been framed with an eye to the probable disorders occasioned by partial and local errors of banking in single places, rather than to the possible disorganization of the whole system. The safety fund, for example, may make good the paper of one or two broken banks; but it can never be expected to supply the loss occasioned by the depreciation, in a moment of suspension, of the entire bank note circulation below specie. Just so the free banking law will answer

very well to secure the public from the occasional failure of an association or two to redeem its bills, but it does not provide for the possibility that all the associations may be forced to refuse the specie redemption of their notes at once, and hence the entire amount of their circulating medium may instantly become a charge upon the state. Professor Tucker says in his book, and says very truly, that "laws themselves but reflect the passions and feelings of men;" and we have found out more than once in America, that those passions can unmake a law with the same rapidity that they made it. But the catastrophe of 1837 first proved to the United States the fact that those passions could venture to take the initiative step, and break the law before it was unmade, with perfect impunity. We say this in no spirit of reproach, and under a perfect consciousness of the necessity of the case. But the question cannot and ought not to be overlooked by any person who desires to estimate the force of any injunction of law, whether it is calculated to stand against the combination of private interest which circumstances may be expected to form into opposition. We see nothing in the free banking law which will enable it to carry any more binding force than belonged to any of its predecessors, on the same subject.

This is the true difficulty of the credit system, for which neither Professor Tucker, nor any other writer that we know of, has yet entirely devised a remedy. The popular feeling will make null the law—it will make odious the attempt to avail of all restrictive provisions—and there is no resource. An irredeemable paper currency becomes, for the moment, the interest of all the debtors of the community, and through them, of the great majority of creditors; and these give the tone to public opinion. This is an evil to which we who live in a republican government are most particularly exposed, and against which it is our duty in moments of ease to endeavor to discover a remedy. We frankly confess we know of nothing at all likely to answer the purpose, short of an increase of the national power over the currency, much more considerable than any party in the United States would be willing to advocate. We do not consider the notion of security by pledges of stock and land, which constitutes the new feature introduced into our system by the free banking law, as well founded to the extent required, for reasons which we propose now, very briefly, and very respectfully, to submit to public consideration.

The free banking law requires no evidence from the associations organized under it of the actual payment of capital beyond the extent of the sum pledged for bills to put into circulation, nor does it contemplate giving any additional security to that species of circulation which goes under the name of deposits in bank. It provides for no specie redemption of the bills beyond twelve and a half per cent., and the old precaution of double interest in case of failure, which was found to be of little service in 1837. Now, supposing, for the sake of illustration, that on the first of January of that year, the entire circulation of New York had been carried on under the new law instead of the old one, and that the twenty-four millions of bills then current had been secured by mortgage of stocks and lands to the comptroller of the state.

We will, for the sake of brevity, set the sum down at	-	\$24,000,000
to which the deposits may be added in round numbers at	-	30,000,000

making the sum of immediate liability	-	-	-	\$54,000,000
which might be considered as secured by	\$9,500,000	of specie, and		

24,000,000 of property pledged. We know that a steady drain set in from that date, which, by the first of June, reduced the circulation to \$15,400,000 and the deposits to

23,400,000

making in all \$38,800,000 being a reduction within five months of \$15,200,000, at the cost of five millions, or more than half of the specie resources on hand—and a necessity of refusing the payment of any more. Yet, at the very moment of refusal, the proportion which the specie actually bore to the bills remaining out, would have been nearly equal to 30 per cent., without being sufficient to resist the pressure. What shall we then think of the safeguard in the new law, which releases associations from all obligations to keep on hand in specie more than twelve and a half per cent. of their circulation, and not even that sum for periods of twenty days together?

But it may be said that the bills would still have remained good. We propose to consider that point hereafter, for the sake of directing our more immediate attention to another important view of the subject. It will be perceived by the preceding figures, that the actual amount of liability from the demands of depositors at both the specified dates, exceeded that arising from the bill holders, and that the reduction of both were nearly, if not quite, with equal rapidity. Now, if the new law had been in operation, it is very certain that the depositors, conscious of the little safety of their position, would have been most anxious of all to convert their demand, which stood without security, into bills for which they would have had the pledge of stocks. But the amount of bills secured by these stocks never would have exceeded \$24,000,000, for which the banks would have been liable to other creditors; besides, the depositors, who alone would have had their additional claims, equal to 30,000,000. Hence, any serious drain from the depositors must have been productive of a suspension of specie payments on the part of the free banks, just as certainly as the drain of 1837 was upon the chartered ones. And the probability of such an event at any future day may readily be estimated by the risk which, as the law is, depositors who do not draw out their money must run, of coming in last on the list of creditors, in cases of bankruptcy.

But it may be urged, that the amount of liabilities incurred by the banks in 1837, would never have been so great, if they had been organized under the new law. The necessity of giving security for all the notes issued, would have checked the excessive expansion of credit which brought on the catastrophe itself. We should concede much to this argument, if the actual note circulation of New York had proved to be ill-secured by the old charter system; but it did not; ninety-six out of ninety-eight banks managed to contract their liabilities within twelve months, in a manner which they never could have done if they had not been doing business in a manner substantially safe. For example, the sum of circulation and deposits was, on the first of January, 1837, as we have seen,

\$54,000,000

but on the first of January, 1838, they equalled about

28,000,000

making the extraordinary contraction within a year of \$26,000,000 a contraction which, we repeat, none but sound banks could have endured. It is then plain, that however great the expansion of credit might have been, it was not more than would be likely to happen under any unrestricted system, and that however severe the drain of specie may have proved, it was not

caused so much by any well founded apprehension of the character of the bank notes, as by the inevitable course of trade, the high rate of foreign exchange, and consequent necessity for specie. To which contingencies, it may be added, the free banks will be no less liable for the future than the chartered ones have been heretofore.

But it is maintained that a suspension of specie payments by the banks ceases, under the new system, to be attended with the evils which have heretofore marked its occurrence under the old one; and that if such an event is unavoidable at certain stages of the credit system, it must be admitted to be a great thing, that its most injurious tendency, the depreciation of the paper, from the mere force of panic, has been prevented. The public will now be perfectly satisfied, that however difficult it may be at some single moment to convert the paper bills of the free banks into gold and silver, yet that these have a substantial and positive value, independently of their immediate convertibility, which no former notes of the same kind possessed, and which render it perfectly unnecessary for any body to be uneasy in the possession of them. We are inclined to the opinion, that there may be some foundation for this reasoning; and that, to a certain extent, the danger of excessive panic may be remedied by this new feature of banking. But the reasons why we do not believe it entirely remedied are these: In times of scarcity of money, the great pressure upon the commercial community commonly arises from a necessity to pay foreign debts. Bills of exchange are not to be had, and specie must then be resorted to. Now the value of bank notes in the hands of merchants consists in their instant convertibility into a means of paying their debts equally abroad as at home, and when that convertibility ceases from any cause or other they must necessarily be losers. So long as the banks can meet their engagements by furnishing the medium wanted to pay these debts, so long will the machinery of the credit system work easily; but the moment that they do not, the moment that it becomes impossible for them to redeem their paper with silver or gold, that moment the whole train of calculations based upon their ability to do so is dispersed. The demand for specie is not the more remitted on account of the failure of the banks, unless we are to suppose all the merchants to fail too, which they never will while they can help it; and the supply of it to meet that demand becoming, by the act of the banks, who take out all their stock of the article from the market, so much the more limited, a monopoly necessarily takes place in the hands of the holders, which they are not slow to improve. The price of specie rises, that is, a silver dollar becomes more valuable than a paper dollar. The currency of the community, which is paper, becomes depreciated to the extent of the difference, and the free banking law is exactly to the same extent of no avail. The comptroller of the state can do nothing to check this state of things, for he is not supposed to possess a single dollar of specie; on the contrary, he holds securities which it is his business to try to convert into specie, at the time the catastrophe happens. Hence he comes into the market as a competitor to purchase the very article for which too great a demand for the supply to be had exists in other quarters already. His interference must aggravate the disorder rather than cure it, inasmuch as he must sell his securities at a sacrifice, or he must withdraw without gaining his object, in either case weakening to some extent that degree of confidence which alone induces the public to give equal currency to free bank paper money with the precious metals, and by weakening it, also confirming a scale of depreciation between the two.

It is true, that if it were possible for the comptroller to possess property in

his hands as collateral security, which never fluctuates in value to the extent of more than one or two per cent even in the worst of times, it would be very easy for him, and for the banks whom he represents, to calculate upon the ultimate redemption of their notes in specie. But the experience of the past distinctly teaches us, that there are moments in the commercial world, when *no property of any kind* can be negotiated; even in Great Britain, where the national funds possess so very fixed a value in comparison with any thing we have, and where so much more private wealth exists to be drawn out in cases of great emergency, and where such resources for raising money exists in the neighborhood of the other wealthy countries of Europe, it was clearly shown in 1825-6 that at one moment even exchequer bills could not be negotiated upon any terms. And if in Great Britain, with all her advantages, and with a credit system so much less elastic than ours is in the United States, this is occasionally the result, what can we expect from any attempt to convert securities, such as we possess, upon any similar contingency?

Here lies, in short, the great obstacle to the success of the new experiment of free banking, as adopted in New York. The state is made to hold securities for paper bills, which are liable to be affected in value nearly as much as the bills which they propose to secure. No suspension of specie payments is very likely to take place, unless after every expedient to raise money has been resorted to by private individuals and companies in vain. It is not the want of property to offer, which ever creates a general suspension, but it is the impossibility of finding money into which to convert property. The comptroller here has no advantage over and above any one else, and he is subjected to the serious inconvenience of coming into the market only after it has been tried already to exhaustion. How can he expect to convert his securities, then, excepting at a most ruinous sacrifice? and if he does not so convert them immediately, who is to judge of the period to which it can be postponed, and of the goodness of the bills which rest upon their convertibility in the interval?

The whole plan is now, it is true, in its infancy, and as yet we cannot at all judge of the extent to which it may be pushed; but even now we can form some slight idea of the difficulties to which the comptroller would be subjected, if compelled at any moment to redeem any considerable amount of bills in circulation. By a return made up to the 30th of April last, it appears that state stocks had been offered and accepted to the amount of \$2,137,090, and lands had been mortgaged to the value of \$851,316 13. This sum is trifling, unless we regard it as the mere outset of a system, which if it has even a moderate share of temporary success, must extend itself to the supply of a much greater proportion of the currency. But even of this sum, \$877,000, or more than a quarter part, consists of the six per cent stocks of the state of Arkansas, and 518,000, or over a sixth part, is of the six per cent stocks of Michigan; while the remainder is in a great degree composed of the stocks of Missouri, Maine, Alabama, Indiana, and Kentucky, and the mortgaged lands. Now, without meaning to express a doubt of the ultimate value of all this property, we must be allowed to question whether, in a time of panic, out of the whole three millions pledged, the comptroller would be able to sell at par more than at farthest \$4,000 of United States stock, which we presume to be Treasury Notes, and \$25,090 of the 5 per cent of the state of New York. It is but very lately that the new states of the Union have had any credit at all. They have neither fixed population, nor accumulated capital, sufficient to authorize any steady estimate to be formed of their character in meeting their

engagements, and although it may be admitted that they have the capacity of enlargement to an extent which older states are not readily susceptible of, yet this is rather an argument in favor of the withdrawal of their stocks into the hands of capitalists, who never want to convert them, than to make them the basis of a fluctuating credit system, the changes of which affect them as much as any species of existing property. We hardly think it ought to be pretended, even by the most enthusiastic believer in state stocks, that in moments of panic, when the wealthy business men of our commercial cities shall have exhausted all means of raising money, even with the offer of property in ordinary times of the highest negotiable value, the State will have any means of redeeming the circulation of the free banking companies, by the offer of such securities as those which have now been named.

The tendency of this law to increase the disposition of the states to make loans, is a feature of the system which has scarcely yet been sufficiently observed. The whole creation of the permanent debts of the states has been so much the work of a moment, that hardly time enough has elapsed to see its practical operation. One hundred and eight millions of dollars have been contracted for within three years. Of this sum, as indeed of the whole amount, all which is in the best credit, has a tendency to find its way to London, whilst that which will not do there will be retained as material for domestic banking. So long as it is practicable, under the law, to carry on the business of lending money profitably, so long will there exist a demand for State stock, which would never have existed if it had not been for the law. And if, ultimately, that stock should, for any cause, not necessary to be stated, fail to be redeemed, we do not perceive that the loss would be likely to fall upon the bankers, who will have enjoyed the value of a paper currency, co-extensive in amount; nor upon the State which authorized them; but it would fall almost exclusively upon the very holders of the bills, who were sought, most especially, to be secured.

Moreover, the intimate connexion which is thus forming between the states and the banking system, through the operation of these large loans, is another incident which has not as yet met with the consideration which it appears to deserve. Of the entire sum borrowed under the authority of the states, up to this time, estimated to be equal to one hundred and seventy millions of dollars, fifty-two millions have been raised for the purpose of banking. And it would be a curious circumstance in our history, if, whilst in Louisiana, for example, the money borrowed by the creation of stock, is used as capital for the banks there, the stock itself should be made the basis for other banks, under the law of New York. Yet we see nothing impossible, or even improbable, in the supposition. How much the interests of Louisiana and New York are thus made to depend upon the success of the credit system of the former State, fully appears. Indeed, upon further examination, we perceive that the case we state hypothetically, has already happened. For the states of Missouri and Arkansas have created no stock, excepting that which has set in motion their banks; and this very stock, to the amount of \$69,000 of the former State, and \$877,000 of the latter State, making more than a full quarter part of the whole capital in the hands of the Comptroller, has already been made the basis of double banking operations, under the free law of New York. It is thus easy to perceive what a stimulus must be given to overaction, throughout the country, when the same capital can be used for so many different purposes; and when once used, and the edifice of the paper system is once made to rest upon the substratum of State credit alone, the in-

duancements operating upon the State to keep up that system at all hazards, rather than to meet the responsibility which must ultimately, in case of its failure, fall upon them, can easily be estimated.

We have, as yet, said little of those more obvious objections to the law, which have already occurred to the minds of most sensible and reflecting persons among us. Yet we cannot pass the subject without, at least, remarking upon the difficulty likely to arise under our popular system of government, from combining the interests of private individuals into masses, by throwing their lands, to a great extent, into the hands of the State government, subject, in case of trouble in the pecuniary affairs of the public, to be levied upon, summarily, at a ruinous sacrifice to the owners. The notion of making land the basis of a currency is not a new one. It has often been attempted in times past, and in various shapes, but so far as we have the means of knowing, with uniform want of success. Now, we are at a loss to perceive why the operation, again proposed, should be likely to be any more fortunate than its predecessors have been. The indispensable attribute of money is convertibility into any and every article wanted, whether by the pleasure, or caprice, or convenience of the holder. In order to this, it must also be divisible to the extent necessary to accommodate a purchase, whether it be very small or very large. Neither of these qualities can ever belong to land; but on the contrary, land itself is always the article which stands in the most need of the aid of money, in order to become transferable at all. A laborer can buy neither bread nor meat for the day with an acre of land, but must first proceed to sell that acre for money, and with that he gets what he wants, exactly in the quantity required. So the comptroller of New York, with fifteen or twenty millions of landed estate, mortgaged for the redemption of bills to that amount, would be utterly unable to convert a five dollar bill without coming into the market to get the coin. But fifteen or twenty millions of landed property cannot be brought into the market at any one time in any part of the United States, without at once reducing the value of the whole of that species of property in the vicinity of where it is situated. Hence the difficulty of conversion, and a necessity of sacrifice or delay. Sacrifice will be ruinous to the owner, while delay will prove injurious to the bill holder, especially to that poorer class who cannot keep money for any length of time on hand. The alternative is disagreeable, for on either side great popular uneasiness may reasonably be apprehended: on the part of the combined land owners, if their property is sold at much less than its value; and on the part of the bill holders, if it is not, and they suffer by the consequent depreciation of their bills.

After all, it is not unlikely that the effect of any public disaster, if such should happen, would simply be to compel the State to guarantee the circulation in the first instance, and reserve to itself an opportunity, subsequently, to convert the assets in such manner as completely to indemnify her for the advances she would be compelled to make. This would not probably be severely injurious to her prosperity, although it might be embarrassing. For ourselves, we hope that she will never have occasion to be driven even to this; and that the dangers we have thus undertaken to foresee from the free banking law, will prove imaginary. If it were not for the extensive injury to result from all errors committed in this department of science, we should always be in favor of testing the value of new theories by experiment. We believe there is something yet to be learnt, and if the state of New York shall prove fortunate enough to establish, by her present law, the possibility

of securing even the stability of that portion of the circulating medium within her limits, which has heretofore been subject to injurious fluctuations; we think the rest of the country, and the commercial world generally, will have reason to be grateful to her, for risking so much in the attempt.

But whether the free banking law is an improvement, or is not, there is no probability that it will afford any solution of the great problem presented to the world by the credit system: which is, whether any issue of notes to serve as money, by private portions of the community, can be so restricted as to prevent the fluctuations in property, which are found at present in pretty regular recurring intervals to take place. In England, the writers upon the subject are gradually retreating to the position that there should be but a single source of issue. We are not yet prepared to admit the superiority of that plan in practice, however fair it may seem in theory. And even if we were, a single glance at the condition of the United States would show that at least for them the idea is not feasible. Whatever may be the political bearing of the subject, no one acquainted with the past experience of the country can fail to admit that a national bank has hitherto been the only remedy in our power which has answered any useful purpose, and we think Professor Tucker has done nothing more than strictly his duty in submitting to the public, as he has done, the reasoning which, upon purely financial ground, has brought him to this conclusion. A national bank, with powers more divided than they were heretofore, in some respects restricted and in others modified, is the only device which we have ever yet been able confidently to believe a means of preserving the currency in the union perfectly sound.

It is with some surprise that we perceive the author to maintain the expediency of more than one national bank. This idea appeared to us so entirely at variance with the habitual good sense which reigns elsewhere in his work, that we were curious to see the reasoning by which he endeavors to support it. That no injustice may be done him, we will now extract it.

“Whatever may be the benefits of a national bank, they would all seem to be increased by having more than one, except that the profits to the shareholders would be somewhat diminished. This division of the privileges and duties of a national bank is recommended by the following considerations:

“First,—whatever may be the power and influence which may be possessed by a bank that has a large capital, with branches dispersed over every part of the Union, and is the fiscal agent of the government, it would obviously be lessened by being divided. Though this power and influence have been greatly overrated by popular jealousy and party antipathies, yet, as it is still honestly believed by a large mass of our citizens to be formidable, their fears are entitled to respect, and should be quieted if possible. The feelings of a large portion of the people will never be disregarded by a wise and a just government, even when they are founded on prejudice.

“Secondly,—the plan would secure to the public the benefit of competition in all those functions in which a national bank has any advantage over state banks; as in domestic exchange, in furnishing a more uniform currency, and in fiscal services to the government, both at home and abroad. Their profits, then, on the purchase of bills, and the sale of their own drafts, would not only be less than would be charged by the state banks, but at the lowest rates at which they could be afforded.

“Thirdly,—the two or three national banks would be salutary and effective checks on each other. We have seen that the state banks, whose excessive issues are so effectually controlled by a national bank, are also a re-

ciprocal check on the latter ; but their power could never be so great, both from defect of concert and unity of action, and for want of the important aid that would be afforded by the funds of the government. The national banks, thus equal in capital, in credit, and resources, in all parts of the union, would give the public the same security against the redundant issues that a single national bank has hitherto afforded against those of a state bank ; and thus a further answer could be given to those who have objected to a national bank, that, while it restrained the operations of the state banks, it was unrestricted itself."

We must be pardoned for expressing an opinion that this argument is nothing more than a weak concession to the principles of the Virginia school of statesmen. For as to the question of power, if we give it up at all, we may as well give it up entirely, as to receive it in such useless portions. The only value of a bank is in its ability to do good, and the argument against it from its abuse of power, is only the common one which applies to the use of all the great agents of the universe. Now it is plain if we take three banks instead of one, because three are not so likely to act with equal vigor as one, and because they will check one another ; we may find that while we have multiplied the sources of abuse, we have, in the same ratio, been diminishing the ability to benefit the public. For in regard to the matter of competitions, which constitutes the Professor's second reason, that is not what we want to create in America from legislation. It springs up of itself wherever it can be used, and it never will be wanting where any sources of pecuniary profit are to be found. The State banks compete with each other, and would do so with a national bank more than enough. The great object is to keep that competition within bounds ; and this can never be done by multiplying national banks. For if the argument in favor of three be good, we know not how that in favor of four could be resisted, or any superior number beyond one. We consider one necessary, exactly as we consider one State government, or one national government, necessary, and not two ; because the object is to control and to regulate what can be controlled or regulated in no other manner. But to do this well, it must be done simply. A single agency is the most effective instrument imaginable, as well to avoid the one extreme of regulating too much, as the other of not regulating at all.

Neither do we perceive how two or three banks would be such salutary and effective checks upon each other, as the author pretends. Each would exercise its power of contraction to a certain extent, and no more. It could not prevent the expansion of one of its equals, nor establish any uniformity of action throughout the country. In moments of prosperity, to be sure, the competition for business would be likely to tempt them all to go to the outside of a safe line of conduct in accommodating the public, but we see no evidence to prove that any similar motive would exist in common to prompt a contrary course when it was needed.

Yet, after all, the great obstacle to the Professor's plan would arise from its failing to supply some general system of regulation. It is now pretty well ascertained that the difficulties most likely to befall the currency must be foreseen by a thorough analysis of the elements which form the foreign exchanges of the country. And that a season of prosperity, and extended domestic trade, is often apt to terminate in a drain of specie from abroad. At these moments it is that a national bank can do good by exercising a counteractive power over the circulation in a system of steady and uniform preparation at all exposed points at once. This system necessarily bears upon

the state banks at those points, and turns their attention to the expediency of following suit. The machine of credit, then, moves harmoniously, and the danger apprehended is thus in a way to be avoided. But if there were two or three national institutions, with each a different head and management, and each directed from a different point, as for instance, from New York, Philadelphia, and New Orleans; it may be doubted whether the president of the New Orleans bank would see the state of the currency with the same eyes that he of Philadelphia did, or whether the latter would be always prepared to concur with his rival in New York. Hence, a difference in policy, and the fatal consequences of a disagreement. One institution would rapidly undo the work of the other, and the State banks, thus freed from restraint, would act exactly as they pleased; and the currency would be left to its fate, very much after the same fashion that it now is when there is no national bank at all.

The great want of the country, then, is of some single power which shall think of the state of the currency, and of that only, and which shall always keep itself prepared to act in cases of emergency. This power should not be entirely under the control of the commercial interest, though it ought to sympathise with it; and it should be wholly separated from political influence of any kind. Nothing but the very highest grade of personal integrity should be called into the management, — no suspicion of personal interest should be admitted; — above all, politicians of every denomination should be rigidly excluded from either the direction or the participation of the favors of the institution. This may seem harsh and unreasonable, but it is indispensable. The currency has suffered too much already from the connexion that has been made between finance and general politics. The two should be kept separate; not, to be sure, in the manner contemplated by the present government, of sacrificing the one to the other, but by preventing any collision between them. The commercial division of the country ask nothing better than to be let alone. In consideration of the advantages they would derive from a sound currency and a well regulated system of exchange, they would almost too readily consent to retire from the field of political action; and in so doing, they would be more likely to be benefitting the community in their particular province, than those mock patriots ever can, who combine, so very closely, the professions of attachment to the people's interest, with the most active zeal in promoting their own. A respectable merchant, who minds his own business, is a better and more useful man than a factious president. And an upright and independent bank direction, out of politics, would promote the good of the nation much more than any party-ridden house of Congress.

CHRONICLES OF COMMERCE.

ART. III. — COMMERCIAL SKETCH OF BOSTON, WITH STATISTICAL FACTS, AND NOTICES OF EMINENT MERCHANTS.

THE state of Massachusetts, it is well known, was settled by the puritans in the early part of the seventeenth century. Men of stern minds and great inflexibility of purpose, who abandoned their native country, and sought in the

wilderness for that religious toleration, which was denied them at home. There they reared their temples to the Almighty, and worshipped, as they believed, in the manner most primitive and apostolic, abjuring all such rites and ceremonies as conflicted with their peculiar tenets. From the commencement, the settlers were men of different classes and occupations in life, and some of them were traders or merchants, and naturally turned their attention to those pursuits to which they had been accustomed. Others were mechanics, but the larger portion were cultivators of the soil.

In September, 1628, two years after the first company settled at Salem, the number of inhabitants exceeded two thousand; the greater part of these arrived with Winthrop, in June, 1630, and settled at Charleston, Watertown, Boston, Dorchester, and Roxbury. So large was the annual increase, that, including the few removed to Hartford and New Haven, the population of Massachusetts, in 1641, amounted to twenty-one thousand. This would justify, and naturally excite, the commercial spirit, and the inhabitants were too active and enterprising to leave the trade of the colony in the hands of the British merchants. In the first eleven or twelve years, dating back from its earliest settlement, two hundred ships had arrived at Boston and Salem, with large quantities of goods and provisions, of various kinds; and as we have before remarked, bringing large numbers of emigrants, to encourage and strengthen the earlier adventurers; and we find them soon competing with the English merchants for the trade of the colony. Vessels were early purchased for this purpose, and employed in voyages to the West Indies, and to Great Britain. Several were built for the coasting trade to Virginia, returning with cargoes of corn—and one ship of three hundred tons, for more distant voyages. Governor Winthrop early had one built of a smaller size, and one was built at Plymouth, by subscription, among the inhabitants.

Maverick, who was settled on an island, or more properly a peninsula, in Boston harbor, now called East Boston, was among the first who turned his attention to navigation; and, on the arrival of Winthrop and his company, in 1630, was a merchant, and the owner of a small vessel engaged in the West India trade.

Edward Gibbons became connected with him at an early period, and visited the islands for the purposes of trade. They also traded with the French near the bay of Fundy, where the French had two places fortified, and a considerable settlement; but Gibbons, trusting De La Tour, a French resident there, with goods to a large amount, which he had imported from the West Indies, and purchased of British merchants, trading to Boston; by the failure of De La Tour to pay, Gibbons became embarrassed, and eventually a bankrupt, when he was somewhat advanced in life. Gibbons appears always to have sustained a high reputation, as he was a representative for Boston in the general court, for several years, and commander in chief, under the governor, of the militia of Massachusetts.

As population increased, commerce and navigation became extended. Twenty or thirty years before the settlement of Boston, say from 1600 to 1610, the English and French had engrossed the fisheries on the coast of Massachusetts and Maine, and large quantities were taken and exported to the West Indies, and to Europe; but in twenty years after the first settlement of Boston, they engaged in an active competition in the fisheries; and furs, to a large amount, were sent to Europe, and disposed of at handsome profits. Sarsaparilla was also shipped to England, and found a ready market, on account of its supposed medicinal qualities, and the charm of novelty attached

to the early shipment of the article. But, with all their exertions, the balance of trade could not be otherwise than in favor of the mother country, and the colonial merchants, from want of adequate capital, being obliged to purchase on credit, and at high prices, realized far less profits on their adventures, than their British competitors.

From the first settlement of the colony, carpenters, masons, and smiths, were sufficiently numerous for ordinary purposes, but most articles, composed of iron and steel, were imported from necessity. Shoemakers and felt-makers were few, and shoes and hats were imported in large quantities.

The manners of the inhabitants at that time were simple, and their means small — they had not the taste or the ability for the luxurious indulgences of modern times; and the demand for many foreign articles now considered indispensable, was necessarily very limited. Wine was used sparingly, silks were worn by few, and mere ornamental articles, always the most expensive, were very nearly, if not wholly, proscribed. In fact, a law was long in force, prohibiting the common people from wearing gold and silver lace, &c.

The rapid growth and prosperous state of the colony, in its steady and advancing steps in trade and navigation, was perceived with a spirit of rivalry and dislike by the mother country, and measures were taken to arrest its progress by the passage of the navigation laws in the British parliament. As early as 1661, on the restoration of Charles the Second, this spirit began its odious manifestation, and the idea of raising a revenue, by duties on the commerce of the colonies, was first developed. The court of Great Britain, profligate and needy, wanted money; and though the colonies in New England had never been nurtured by the parent government, or received any favors or indulgences from the Crown, and had borne all the expenses of their early settlement, and defence against the Indian tribes, it was thought politic to tax the industry and enterprise of those whom their wants of conciliation, in matters purely of a spiritual nature, had driven to take shelter in a wilderness, there to raise their altars to religious liberty, and to worship God, as they believed, in spirit and in truth. These laws were extensively evaded for a long time, and gave rise to a practice generally destructive to public morals, and only justifiable by the injustice of the requisition. Smuggling was extensively practised, the duties enjoined were not paid, and the practice justified on the ground of oppression and injustice, in taxing the colonies for the support of a government, who demanded every thing and yielded nothing, and gave them no protection. Besides, it was asserted that their charter recognised, or at least inferred, the exclusive right of the colonial assembly to lay taxes and duties on the colonists, as there they had a voice in the representation, which they had not in the British parliament, and there was reason and justice in the plea; but whenever the power of the mother country could enforce the law, it was carried into execution, and the fatal foundation laid for the loss to the British empire of one of the brightest jewels of the crown.

During the civil war in England, and the protectorship of Cromwell, the colonial trade was entirely free, and the commerce of the country increased as its resources were developed, and they paid no duties on their products exported to Great Britain; but from 1675, the British navigation acts were strictly enforced, and often illegal fees were exacted by the arbitrary Randolph.

Among the earlier merchants in Boston, we may also name Keayne, Usher, Vassall, Newgate, Hibbins, Tyng, and Richards; and in the former part of the last century, Belcher, Hutchinson, Savage, Brattle, Welles,

Cheekley, Winthrop, and Fitch. In Plymouth, were Allerton, Hatherby, Paddy, Attwood, Doane, and Willett; in Salem, Hawthorne, Brown, and the Rev. Hugh Peters encouraged navigation and trade.

So much, however, were the colonists attached to trade, that notwithstanding the duties on commerce were often vexatious, and always a subject of complaint, yet many of the inhabitants, allured by the gainful pursuits, and indisposed to part with the conveniences procured by its means, continued to engage in it under all its restrictions and taxes, up to the time of the revolution.

Some adequate idea may be formed of the rapid growth of the New England colonies, from the following extract from New England entries, in the plantation office in England, in 1673, which we find in one of the volumes of the Massachusetts Historical Society: — "One hundred and twenty thousand souls, sixteen thousand capable of bearing arms; thirteen thousand families; twelve ships of between two hundred and one hundred tons; one hundred and ninety between twenty and one hundred tons; five hundred fishing vessels, (many of these only large boats of six to eight tons.)" The greater part of these belonged to Boston, some to Salem, and a part to New Haven.

At this period, and for nearly half a century after, the greater portion of foreign goods and products, imported into the New England states, were landed at Boston, and were for account of the merchants at that place, excepting only a portion shipped for sale on British account. From thence they were transported to Plymouth, Rhode Island, Connecticut, New Hampshire, and Maine; but Boston early became the central point of trade and navigation, and increased rapidly during the period we have just mentioned.

The rigid deportment introduced by the first settlers, and followed by their descendants, under the influence of increasing wealth, now began to give way to more courtesy of manner, and greater luxury and refinement in living, and more display in dress and furniture. It was, however, of a different description to the fashionable demeanor of the present day; which, in attempting to be easy, often oversteps the bounds of propriety and decorum; for it was exhibited in that profound courtesy and respect, and that deference to the opinions of others, and that reciprocal and delicate attention, which marked the finished gentleman of the sixteenth century, and which left an impress on the manners and habits of the citizens of Boston, which has never been obliterated.

The merchants then, as now, were justly praised for liberal sentiments, and their patronage of the fine arts — of literary, charitable, and religious institutions — and several of them were early donors to Harvard College. It may gratify curiosity to quote further from the work we have just mentioned. "There were ten to fifteen merchants whose aggregate property amounted to £50,000, or about £5,000 each — five hundred persons worth £3,000 each — 1,500 families, then in Boston, containing about eight individuals each, or about 12,000 inhabitants, nearly a tenth part of the population of New England. No house in Boston with more than twenty rooms; some of these were probably very small, sufficient only for a single bed — not more than twenty houses with ten rooms. The poorest cottages are lofty, (*so that a man could stand upright without stooping, probably.*) No beggars — very few drunkards; (*the striped pig was then unknown.*) No musicians by profession — a dancing school was set up but soon put down. All cordage and sail cloth came from England — no cloth made worth more than

3s. 6d. a yard — no linen above 2s. 6d." As early as 1710, Boston possessed two fire engines, how much before that period does not appear; but at that time there were five iron works in the state of Massachusetts, and some of them had been in operation for thirty years.

The following naïve reply of a committee of the General Court of Connecticut, to the inquiries of the British Commissioners for the trade of the colonies, is here preserved for the gratification of the curious in such matters, and as giving additional light on the early trade of the colonies:

"We have little traffic abroad — our chief trade for procuring clothing is by sending provisions to Boston, where we buy goods — and we have some trade, also, with Plymouth, and with New York, since the arrival of Major Andros. Our commodities are provisions, lumber, and horses; — the most are transported to Boston and bartered for clothing; — some small quantity is sent to the Caribbee islands, and sold for some money, but chiefly products. Two or three vessels have been sent to Fayal and to Madeira, and the cargoes bartered for wine. We have no need of Virginia trade, as most people plant as much tobacco as they want. The value of our annual imports is £9,000. We have about twenty petty merchants who trade to Boston, but foreign merchants trade here. There are but few servants — and fewer slaves; — only twenty-four small vessels belong to this colony; and few vessels come here except from Boston and New York, to carry off our produce. Commerce would improve if New London, New Haven, and Fairfield, were made free ports. Labor is high, 2s. to 2s. 6d. a day. Provisions are cheap; wheat, 4s., corn, 2s. 6d., pork, 3d., beef, 2 1-2d., butter, 6d."

The period of 1690, and 1745, afford proof of the extent of the shipping belonging to the port of Boston, and the attention bestowed on navigation. In 1690, when an armed expedition was fitted out against Quebec; and 1745, when Louisbourg was attacked and taken, Boston furnished a large number of vessels, either armed or as transports. We may go farther back, and state, that in 1667, when a British fleet in the West Indies was in distress, the people of Boston, by consent of the General Court, sent several vessels, loaded with provisions, for their relief, and some with masts and spars.

Amidst their other pursuits, the science of legislation was not neglected; and by a happy adaptation, it seemed that the most enterprising and experienced merchants and navigators, made the best and most efficient members of the General Court, and were the best qualified to decide the differences arising among a population composed of agriculturists, mechanics, merchants, and sailors; and there was that blending of all classes, and that freedom of intercourse, and expression of opinion, which has always formed such a distinguishing trait of New England manners. Their legislators, taken from among themselves, were not only more satisfactory to the people, but better understood, and could, therefore, better provide for the protection and encouragement of branches of business with which they were practically acquainted, and prescribe rules for a people with whom they were in familiar intercourse.

The business of ship building was pursued at an early period of the settlement. At one time it appears that there were twenty-seven places for ship building in Boston only, and sixty ships a year were built, twelve in one yard. In Salem, and other places, this lucrative occupation was pursued, and a large number of persons found occupation, as carpenters, smiths, caulkers, and spar makers. Naval stores were exported to some extent, but salted codfish and lumber were the principal articles of export; and continue,

particularly the former, to be the great staple articles for exportation. The best cured fish was shipped to Portugal, Spain, and the Italian States, Catholic countries always affording the best market. Those not so well cured were sent to the West India islands, where it was used chiefly by the negro slaves and laborers. The cod-fishery, in 1760-65, employed 4,000 seamen, 28,000 tons of shipping, and produced 350,000 quintals of fish, the value of which was estimated at a little over a million of dollars.

In 1750, the number of vessels entering the port of Boston, was four hundred and ninety, foreign and American; the clearances, five hundred and four. The entrances were chiefly vessels with cargoes from Great Britain and the West Indies; but a number were from ports in Portugal and Spain. From this period, to 1773, there does not appear to have been much, if any, increase; certainly not as much as the growth of the country would lead us to expect. It is stated that in 1773 five hundred and eighty-seven vessels entered the port of Boston, and four hundred and eleven cleared; a pretty even balance with 1750.

The impolitic measure of deriving revenue for the mother country, by duties on the trade of the colonies, was most unhappily persisted in by the British government. The duties were increased, and the collection rigidly enforced, which probably discouraged many enterprising men from engaging in commerce, and may satisfactorily account for the stationary situation of Boston in regard to foreign trade, from 1750 to 1773. Complaints of alleged oppressions, grievances, and interferences with the rights of the colonial government, became loud and frequent. As early as 1764, the duty on molasses and sugar, imported into the colonies, was increased so much as to amount, almost, to a prohibition. Molasses was then in general use in the distilleries, and by the fishermen. The duty on tea, nails, glass, and paints, was also raised, and operated as a heavy burthen on the people. To enforce these oppressive and odious exactions, troops were stationed in Boston, and Parliament asserted the right of legislating for the colonies in all cases. The spirit of resistance was roused, and after eight years of sacrifice, suffering, and fierce and bloody contention, national independence followed.

For a period of 150 years the British government not only had neglected and declined all support to Massachusetts, and the other New England colonies, but had directly oppressed and restrained them in their trade, and greatly checked their growth and prosperity. Besides, the weight of imposts laid upon them by the parent State, which pressed heavily on the infant colonies, they were arbitrarily restricted in their commercial enterprises, and could no more avail themselves of favorable channels for lucrative trade, than a fettered man could perform the profitable labor of which he is naturally capable. This restrictive, injurious, and unjust policy, towards the colonies, was adopted at an early period. In 1699, it was enacted by Parliament, that no wool yarn, or woollen manufactures, of the American colonies, should be exported from them *to any place whatever*. In 1719, they declared "that factories in the colonies tended to lessen their dependance on England." A few years later, some envious individuals complained to the British ministry, that the colonists were not only extending their trade, but setting up manufactures, which must prove prejudicial to the interests of the parent country; and the Board of Trade was soon directed to learn what laws had been made respecting manufactures in operation in the colonies, or allowed trade to be pursued injurious to the trade, navigation, or manufactures of Great Britain. These laws and orders were directed principally

against Boston and Massachusetts; here, commercial enterprise and manufactures had been most successful, and were encouraged and pursued.

The next year, the board reported, "that the general court of Massachusetts encouraged the manufacture of paper, which will interfere with the profits of the British merchants who send paper there." "Many families make coarse woollen and linen cloths for their own use; but this seems proper, as they keep sheep and raise flax; yet, it were to be wished that some way may be devised to divert them from increasing their manufactures." It is stated in the report, "that hats and shoes were made to a considerable extent, though many of the former were imported." Hats were exported from Boston long before the revolution, to Spain, Portugal, and the West India islands; of which *the company of hatters complained*, and their complaints were not disregarded. An act was thereupon passed, which forbade the exportation of hats from any American colony, and limited the number of apprentices for hatters; and the same law prohibited the sale in one colony of hats made in another.

Several iron works which had been long in operation in Massachusetts, were declared a nuisance, and parliament ordered that no mill or engine for slitting or rolling, be erected or used; but allowed pig and bar iron to be imported into London from the colonies. By these, and such like acts of impolicy and oppression, the minds of the people in Massachusetts and the other provinces, were alienated from the mother country, and prepared for the successful resistance of the tyrannical acts of the British parliament, which ended in the establishment of their rights, and the overthrow of the attempts made to enslave them.

Soon after the war of the revolution, and as early as 1785 or 1786, commerce revived, and the navigation of Boston and other ports of Massachusetts was greatly extended. The trade with the West Indies was prosecuted by many with great advantage; but Salem, Newburyport, and Portland, considering their relative population, were more extensively engaged in it than Boston. The principal articles of export were lumber and fish, and occasionally horses; the returns consisted of sugar, molasses, rum, coffee, salt, and fruit. The quantity of molasses imported was very great, and distilleries were multiplied; but happily for the morals, comfort, and respectability of the people, they have been generally discountenanced within a few years. The trade to the Mediterranean, to Spain, to Portugal, to France, Holland, the Hanse Towns, and places farther up the Baltic; and to England, as commerce revived and capital accumulated, was prosecuted with increased zeal. The cod fishery was resumed, and pursued, in most of the seaports in Massachusetts, extensively, and with great success. It continued for several years, and furnished an article for exportation to various points, and was one source of national wealth.

In 1789, vessels were sent from Boston to the East Indies, and to China, and soon became a very profitable commercial enterprise. In proportion to its population, Salem took the lead of Boston in the East, as it had done in the West India trade. Teas, silks, nankins and other cotton cloths, sugar, coffee, and spices, were imported; and cargoes of East India products were, by the enterprising merchants of Salem and Boston, exported to ports in the north of Europe. Ginseng formed part of the cargoes shipped to the East Indies, but specie, generally silver current coin, was sent to a large amount to Canton and Calcutta, &c., &c. The merchants who first engaged

in the East India trade at Salem, were Derby, Gray, Cabot, Thorndike, and Crowninshield.

The eminent mathematician, Nathaniel Bowditch, made two voyages to the East Indies in 1795 and 1796; on the first, he was twenty-two years of age. He was then a great proficient in nautical calculation, and perfectly acquainted with the science of navigation. Being very industrious, he instructed the seamen of the ships in the science of navigation, of which most of the common hands were ignorant.

Derby's first ship to China was in 1787. Mr. Gray was more engaged in trade to Calcutta. Mr. Derby's ship visited the Isles of France and Bourbon, Batavia, Calcutta, and it is believed the vicinity of the Red Sea.

Among the earliest in the East India trade, at Boston, were Messrs. J. Barrell, S. Brown, D. Sears, T. Lyman, J. & T. H. Perkins, S. Higginson, S. Shaw, J. Lloyd, the Messrs. Lee, and E. Prebble; and among others who were esteemed for intelligence and enterprise as merchants, were Messrs. Thomas Russell, J. C. Jones, S. Eliot, Mason, Smith, Phillips, Cabot, Parsons, Mackey, Green, Andrews, Breck, Jackes, Babcock, Watson, Sears, Sargeant, Doane, Brown, Parkman, Hatch, Joy, Bussy, Frazier, and Head, some of whom had been in business before the revolution.

Thomas Russell was one of the most enterprising and successful merchants of Boston, from 1786 to 1798. His charities were great, and he was a friend to the clergy and to religious institutions. He was for many years a member of the church in Brattle Square, and president of the society for spreading the Gospel among the Indians.

Mr. Phillips acquired a large property by honorable trade, and by a very liberal donation, laid the foundation for the Massachusetts general hospital, a most useful institution; and his son, late lieutenant governor W. Phillips, added largely to the original donation.

The Boston Athenæum buildings, were the gift of one of the Messrs. Perkins; and the large house in the city, for the blind, of another of those liberal spirited merchants.

The honorable James Lloyd was probably one of the most intelligent merchants in the country. He well understood the principles, its course, and operation, in his time. He extended his views to politics, and was eminent also as a legislator. The law of the Commonwealth, on bills of exchange, passed in 1819, was framed by him, and adopted through his influence, and he was several years a useful member of the United States Senate.

J. C. Jones was a merchant of extensive and liberal views, and was also for several years a member of the legislature. We might embrace many others, but our biographical remarks must be restrained, and we have already exceeded the limits which ought to confine them.

The first ship which sailed from Boston to China, was built at Hart's ship yard, in Boston, in 1785 or 1786, and was owned part in Boston and part in New York. She was commanded by James Magee, who was captain of the ship of war wrecked in Plymouth harbor, in 1779; and it is believed she took her final departure from New York. The following year, Messrs. Barrell, Brown, Hatch, and others, sent the ship *Columbia*, Captain Kendrick, attended by the sloop *Washington*, Captain Gray, to the North West Coast, and thence to China. On their voyage, they visited the mouth of the Oregon, on the Pacific, which they called *Columbia*, after their ship. This was a long voyage. S. Shaw and Doane, were engaged in the China trade; the former was the first American consul at China.

In 1790, Messrs. J. and T. H. Perkins fitted out the brig Hope, Captain Ingraham, for the North West Coast, to collect peltry, for the China market. In this voyage, Captain Ingraham discovered several islands, in about eight degrees fifty minutes south, and one hundred and forty west from London, not noticed by any nautical adventurer, or in any map of the Pacific ocean. To these he gave the names of Washington, Adams, Lincoln, and Federal; and a few days after, in eight degrees three minutes south, and one hundred and forty-one west, two others, which he called Hancock and Knox. These enterprising merchants have from that time pursued the China trade. They have long had a house in Canton, one or more of the firm usually residing there, and for more than forty years they have had one or more ships there every year. Theodore Lyman, Messrs. Lamb, Boardman, and Pope, and many others, engaged in the China trade, and some of them are still, or were very lately, employed in it. The trade to China was pursued far more extensively in Boston, for several years, and till the war of 1812-'15, than from any other port in the United States. The Messrs. Perkins, it is believed, were interested in more than thirty voyages *round the world*, going by the way of Cape Horn, to the North West Coast of America, in search of peltry, for the Canton market, and thence returning to Boston and New York, with China goods.

Messrs. Bryant and Sturges, of Boston, have been long and largely concerned in these last mentioned voyages. Much time is necessarily absorbed in their accomplishment; the hazard is also great, but they have generally been profitable.

We have already mentioned that ginseng and specie were the principal articles of export to the East Indies. The former was shipped in small quantities from Boston and Salem, and in larger from New York and Philadelphia. Specie formed the principal dependance for return cargoes from Canton, and \$600,000 have been sent out in one ship. Assorted cargoes of lumber and provisions, &c. were sent to many places beyond the Cape of Good Hope.

It is curious to mark the changes which time works in trade. Formerly, a part of the return cargoes from Canton, were coarse cotton cloths. Now, and for some years past, cotton cloths are shipped from Boston for Calcutta and Canton. They usually cost here from eight to ten cents per yard, and have been exported to a large amount. They are found, in most cases, a better remittance than dollars, or bills of exchange. "When I was in China, in 1790," said a gentleman largely engaged in the trade for a long period, "I purchased, as part of my adventure home, cotton shirtings, at *four times the cost* at which such cloths are hence furnished to the Celestial Empire."

"We have to contend," he added, "with British competition in the China market; but as we use a superior raw material for the same *number* of goods, and make them heavier than the long cloths of England, I think we shall continue to export." On the same authority we may state, "that in some years, the American trade to China has caused the exportation of four to five millions of dollars annually in specie; but, at the present time, very little is sent there, and that for the purchase of rice, at Batavia and Manilla, for the Canton market.

Very few American vessels have visited any ports in the island of Japan. The Dutch usually send an annual ship from Batavia, as they are the only European nation permitted to trade there. Whale ships sometimes put in for provisions and water, but the crew are not allowed any intercourse with the

inhabitants. In 1798, Messrs. Perkins sent a ship to Batavia, for coffee, and she was taken up by the Dutch, as the annual ship to Java. The cargo was sugar, and the ship carried back to Batavia, pig copper and camphor. In 1801, they fitted out a large ship to Java, which was taken up there by the Dutch, and made a similar voyage to the other; and soon after, a vessel was sent from Salem, on a like voyage. These are supposed the only vessels from Massachusetts to that *jealous people*. One belonging to Baltimore, called the "Samuel Smith," also visited that island. Captain Hutchings, of the Massachusetts, went to the residence of the governor, but he observed nothing which differed much from the customs and manners of the Chinese.

In one of the volumes of the collections of the Historical Society of Massachusetts, it is mentioned, under date of 1794, that the manufactures in Boston were candles, soap, rum, loaf sugar, cordage, duck lines and twine, cards, combs, fish hooks, stained paper, glass, stoneware, and chocolate. The manufacture of some of these articles was on a larger scale than before the revolution; they were also made with more facility, and of a better quality. There was, in 1794, more than thirty distilleries in Boston; twenty of them in operation to manufacture poison "for the comfort of the poor and laboring people." At present, there are but few, probably not over one fourth of that number. Then the population was twenty-four thousand; now it is eighty thousand. The writer of the article says, "it is contended this manufacture is a public benefit, as it adds to the revenue; but many consider it a public evil, and that it tends to prevent population, and greatly injures the morals of the people;" — he adds, "the bad effects of the free use of distilled spirits, are very apparent on the morals of the inhabitants, and the attendants on it are idleness, debility, poverty, disgrace, and crime." It is an important question, whether this prevailing evil may not be greatly restrained by the interference of legislative authority.

There were at that time seven establishments for refining sugar, and fourteen rope walks. A duck manufactory was established near the south side of the common, and sail cloth of durable quality and texture was made, said to be superior to the canvas imported from Europe, and cheaper. In 1792, four hundred hands were employed in this manufacture, a portion of them females.

Paper staining was extensively followed, and a sufficiency prepared for home use, and some was exported; before the revolution, it was chiefly imported.

Within a few miles of Boston, the following articles were made: Tow cloth, cotton and linen shirtings and sheetings, checks, thread, bed ticks, striped flannels, cotton and worsted hose, gloves, diapers, &c., &c., and sent to Boston for sale.

There was always an extensive trade between Boston and the southern states; for a large quantity of corn and flour for the sea port towns in Massachusetts was imported from Maryland, Pennsylvania, Virginia, &c., &c.; and this intercourse was not without its benefits, in a social and political point of view, as a union was more readily effected, when the contest with Great Britain called for the formation of the federal union.

In 1784 the first banking company was formed in Boston, and called the Massachusetts Bank. A national bank had been established in Philadelphia, in 1781, under the direction and control of Congress. The charter of the Massachusetts bank had no limitation as to time, and little or none as to

management. And the bills in circulation, before any other bank was incorporated, were of great extent.

In 1790 the federal government incorporated a national bank at Philadelphia, the former one being discontinued; and a branch of that bank, for discount and deposit, was opened in Boston in 1792.

The Union bank was established in Boston in 1798, as it was said at the time, for the accommodation of the agricultural interest. From 1800 to 1832, banking institutions were greatly multiplied — there being no less than thirty banks in Boston, including those in South Boston, and making no allowance for the five which were discontinued in 1827–8.

The incorporated companies for insurance on property, by sea and land, and against fire, are about equal in number to the banks. Commercial enterprise and prosperity have been the leading causes of the increase of these corporations, and have resulted in an enlargement and improvement of the city of Boston, within the last forty-five years, in a ratio which could not have been accomplished without it. The city of Boston would otherwise have slowly advanced in population, wealth, and social refinement, and the state of Massachusetts would have been far less respectable and powerful in 1740, or in 1775, than it was, when compared with the other American provinces. The soil is generally rocky, or sterile, and unfitted to afford great returns to the labor of the husbandman, (though a better system of cultivation, pursued of late years, proves that greater products may be gathered from it than it was supposed capable of producing,) and the inhabitants have been generally indebted to commerce for their opulence and improvement.

The establishment of the federal government proved highly propitious to the commercial interest of Boston. Freedom breathed new life into commercial pursuits, and nautical enterprises were greatly extended by her ship owners. A large number of vessels were built in 1790, here, and in the ports adjacent; and mechanics, of all descriptions, found constant and lucrative employment. Within the last half century, Boston has greatly increased in population, business, and wealth. From 15,000 in 1783, and 18,000 in 1790, to 80,000 in 1838. The buildings are now generally composed of brick and granite. The dwelling houses are spacious and elegant, and many large and splendid public edifices have been erected; and the streets have been straitened, widened, and improved. Large tracts of land, where the tide waters formerly flowed, have been redeemed, and are now covered with buildings. Bridges have been built, so that there are now seven avenues to the city, from the country, where formerly there was only one. The wharves have been extended and increased, so that there is probably double the number of feet, at present, to that the city possessed thirty-five years since. The carrying trade has proved very profitable to the merchants, and a great many vessels are employed in it. A large branch of this business is in the freight of cotton from Charleston, Savannah, and New Orleans,* to Europe, employing ships of from three hundred to six hundred

* The trade with New Orleans has greatly increased within a few years. The importations from New Orleans, into Boston, for three months, ending March 31st, amounted to 2,489,000 dollars. Many cargoes of cotton being brought to Boston for the supply of the manufacturing establishments in the interior of the country. The mercantile intercourse with New York has been vastly extended within twenty years, and must be followed by advantageous results to both cities. It is found that the trade is mutually beneficial; and the single fact that instead of forty-eight or sixty hours time on the way, between those places, the distance is now passed in fifteen hours, must be highly favorable, and be a strong inducement to increase the intercourse.

tons burthen. According to Pitkin, the tonnage of Boston, in 1832, amounted to 171,045 ; next to New York, the highest in the United States. Philadelphia, at that time, was 77,000 ; New Bedford, 70,000 ; Baltimore and Portland, each, 47,000. The imports into Massachusetts, chiefly Boston, in 1821, were nearly fifteen millions ; into New York, twenty-three and a half millions of dollars. In 1833 it was twenty millions in Massachusetts, and eighty millions into New York.

The rail roads, connecting Boston more easily with Lowell, Salem, Haverhill, Nashua, Worcester, Providence, and Taunton, have added greatly to the business and prosperity of the city ; and when that to Worcester shall be extended to the Connecticut river, and through the western part of the state to Albany, the growth and prosperity of Boston must be great, beyond calculation. There is also a plan in Boston, for a direct intercourse with Liverpool, (England,) by steam navigation. The project has excited a great deal of interest, and its importance is appreciated by intelligent and enterprising men.

We have dwelt longer on these reminiscences and statistical facts, than perhaps the patience of our readers will make allowance for. We therefore close with the hope, that with so much to be thankful for to the past, and with so much to anticipate from the future, that her merchants, and all engaged in trade, will bear constantly in mind, that to deserve their high destiny, they must continue to pursue the path of honor, enterprise, and integrity, so firmly trod by their predecessors. And we wish that they may always be pointed to as the honorable and intelligent of our country, and that luxury and extravagance, and licentiousness of manners, too often prevailing in large and old cities, may be unknown, — while scientific, literary, humane, and charitable institutions, may be liberally supported and multiplied.

MERCANTILE BIOGRAPHY.

ART. IV.—THOMAS WILLETT, THE FIRST MAYOR OF NEW YORK

MERCANTILE biography properly claims a place in a work of this description, where every thing that can excite the young to an honorable emulation, should be set forth ; that seeing how a consistent and praiseworthy line of conduct has elevated those who have preceded them, they may, in turn, endeavor to transmit a fair and untarnished name to posterity.

THOMAS WILLETT, the first mayor of the city of New York, after its delivery over to the English by the Dutch authorities, in 1664, was originally a merchant or trader. As a man, he was possessed of uncommon activity of mind, and deeply imbued with the spirit of enterprise and adventure. He was one of the early settlers at Plymouth, but not among the first. He was there, however, as early as 1640, and appears to have been justly appreciated, and to have possessed a great deal of influence, as, after a few years residence, he was chosen one of the assistants in council, a post, at that early period, of much honor and responsibility. Immediately on his arrival, he appears to have turned his attention to commerce and navigation, as he was one of twelve who built the first vessel at Plymouth, in 1641 ; she was about fifty tons, and cost about £200 sterling ; and Willett was one of the commit-

tee to superintend the building of the vessel. With a few enterprising spirits like his own, he formed a company, and hired, for the colonial government, the Cape Cod fishery, the proceeds of which were applied to the public expenses, and at one time appropriated to the support of common schools in the colony. He early formed a connexion in business with *Isaac Allerton*, one of the first settlers of Plymouth, and among the most respectable and honorable of the pilgrims, as they are now termed. Allerton was sent to England several times, as agent for the colonies, which he also made to promote his views, as connected with commerce, in the colony. Willett and Allerton traded, for several years, with the French in Acadie, and with the vessels from Europe engaged in the Maine fisheries. Allerton afterwards traded at New Amsterdam, and the probability is that Willett was concerned with him. Willett was one of the committee who, in 1655, purchased Agawam, (now Wareham,) in Buzzard's bay, of the Indians, for the town of Plymouth; there had been, for years, carried on an active trading intercourse from this point, with the Dutch at Manhattoes; and the enterprising spirit of Willett, who had early and often engaged in it, as well as his friend Allerton, led him to detect and appreciate its value.* Of all the residents in the colony, with the exception of Willett, Allerton appears to have been the most devoted to commerce; but devoting too much of his time to carrying out his plans, as connected with the trade of the colony, he lost the confidence of the Plymouth court, in consequence of which he removed to, and resided some time at Marblehead, Nantucket, near the entrance of Boston harbor, and afterwards, between 1645 and 1655, at New Haven, from whence he pursued the trade with New Amsterdam, and died at New Haven.

The Commissioners appointed by Charles II., to act as a Court of Appeals, for the settlement of all disputes between the colonial government and individuals who had complained of unjust and arbitrary treatment, arrived at Boston in 1664. They visited Plymouth — Rhode Island — and New York, then in possession of the Dutch. A part of their instructions was to raise troops in New England, to take possession of New York by force, as it was pretended that the English had the best right to it. At Plymouth, the Commissioners were received with more courtesy, respect, and consideration, than in Massachusetts; and they requested some one to attend them from Plymouth to the Manhattoes. Thomas Willett, who had often been there, and was well acquainted with the place and the people, their language, customs, and manners, and highly esteemed for intelligence and fidelity in every thing which he undertook, was recommended to the Commissioners as the most suitable person to attend them, and on the surrender of New Amsterdam into the hands of the British Commissioners, they appointed him the Mayor, a strong proof of his capability, and popular talents, and address; — and he appears to have possessed a singular aptitude for business, as, preceding his joining the Commissioners, he had, for thirteen years, viz., from 1651 to 1664, been one of the Executive Council of Plymouth colony, at the very time he was most actively engaged in commercial pursuits. After remaining for several years in New York, he returned to his estates near Bristol, where he owned a large tract of land, where he died. His grave-stone was lately, and, perhaps, may still be seen on the land he

* Willet had also pushed his traffic as far as the Delaware, where there was a considerable settlement, composed partly of Swedes, who had early fixed their abode there, before the settlement of Maryland by Calvert.

possessed when living; but the rage of modern improvement sweeps away the memorials of the dead, to clear the ground for the palaces of the living.

The materials for a biography of Thomas Willett are but spare, nor have we time to expand them, or to become his eulogist. His prominent characteristics were intelligence, enterprise, and fidelity, traits most honorable to a man; and his success as a merchant shows that he was possessed of prudence and foresight, wanting which, the very essentials of prosperity are absent — they form the foundation; without them, however imposing the edifice may, for a time, appear, it rests upon the sand — and the heaving of the commercial billows will soon agitate and destroy the unsubstantial structure.

At the time Willett was made Mayor of New York, Colonel Nichols, one of the royal Commissioners, said, "he found a few handsome built brick and stone houses, but most of the buildings were small and poor;" insignificant, indeed, when compared with its present size and expanded foreign and domestic commerce. He, however, predicted the future greatness and prosperity of the place. He said, "it combined remarkable advantages for navigation and trade." Its rapid growth has outstripped prophecy, and carrying our view forward, as far as we have been looking back, what New York will be two centuries hence, who can presume to calculate. All this has been owing to the enterprising spirit of our merchants — revulsion has followed revulsion — generation after generation has sunk into the grave — but the sons of the pilgrims have trod in the steps of their sires; and as long as they possess the intelligence, prudence, and fidelity to their engagements, so honorably and eminently conspicuous in the early settlers, as in the case of Thomas Willett, they will be successful in life, honorable in death, and unitedly, each, in his own proper position and sphere of life, carrying on the transactions of commerce, in just appreciation of their own rights, and with a proper regard to the rights of others, it is impossible to put any limitation to the future greatness and power of our common and happy country.

ART. V. — THE GOOD MERCHANT. — WILLIAM PARSONS.

" His youth was innocent; his riper age
 Marked with some act of goodness, every day;
 And watched by eyes that loved him, calm, and sage,
 Faded his late declining years away.
 Cheerful he gave his being up, and went
 To share the holy rest that waits a life well spent."— *Bryant*.

THE good merchant is scrupulously just and upright in all his transactions. Integrity, good faith, exactness in fulfilling his engagements, are prominent and distinctive features in his character. He is a high-minded and honorable man; he would feel a stain upon his good name like a wound, and regards with utter abhorrence every thing that wears the appearance of meanness or duplicity. Knowing that credit is the soul of business, he is anxious to sustain the integrity of the mercantile character. Accordingly, his word is as good as his bond. He stands to his bargain, and is faithful to his contract. He is like the good man described by the Psalmist,

" Who to his plighted vows and trust
 Hath ever firmly stood;
 And though he promise to his loss,
 He makes his promise good."

He would rather at any time relinquish something of his lawful rights, than engage in an irritating dispute. He would rather be the object than the agent in a dishonorable or fraudulent transaction. When one told old Bishop Latimer that the cutler had cozened him in making him pay two pence for a knife not worth a penny, "No," said Latimer, "he cozened not me, but his own conscience."

The good merchant is not in haste to be rich, observing that they who are so, are apt to "fall into temptation and a snare," and often make shipwreck of their honor and virtue. He pursues commerce as his chosen calling, his regular employment. He expects to continue in it long, perhaps all his days, and is therefore content to make small profits and accumulate slowly. When he first entered into business, he was determined not to be a drudge, nor be chained to the desk like a galley-slave, nor make his counting-room his home. He recollects that he is not merely a merchant, but a man; and that he has a mind to improve, a heart to cultivate, and a character to form. He is therefore resolved to have time to develop and store his intellect, to exercise his social affections, and to enjoy in moderation the innocent and rational pleasures of life. He accordingly sets apart and consecrates a portion of his time, his evenings at least, to be spent at home, in the bosom of his family. He will not, on any account, deny himself this relaxation; he will not, for any consideration, rob himself of this source of improvement and happiness. He is willing, if need be, to labor more years in order to obtain the desired amount of wealth, provided he can improve himself in the mean time, and enjoy life as he goes along.

The good merchant, though an enterprising man, and willing to run some risks, knowing this to be essential to success in commercial adventure, yet is not willing to risk every thing, nor put all on the hazard of a single throw. He feels that he has no right to do this — that it is morally wrong thus to put in jeopardy his own peace and the comfort and prospects of his family. Of course he engages in no wild and visionary schemes, the results of which are altogether uncertain, being based upon unreasonable expectations and improbable suppositions. He is particularly careful to embark in no speculation out of his regular line of business, and with the details of which he is not familiar. He is aware, that although he knows all about the cost of a ship, and can determine the quality and estimate the value of a bale of cotton, he is not a good judge of the worth of wild lands, having had no experience therein. Accordingly, he will have nothing to do with any bargains of this sort, however promising they may appear. He will not take a leap in the dark, nor purchase upon the representations of others, who may be interested in the sale; fearing lest what is described to him as a well-timbered township may turn out to be a barren waste, and what appears, on paper, a level and well-watered district, may be found, on inspection, a steep and stony mountain, of no value whatever. He therefore deems it safest for him to keep clear of these grand speculations, and to attend, quietly and regularly, to his own business. Above all, he makes it a matter of conscience not to risk in hazardous enterprises the property of others intrusted to his keeping.

The good merchant, having thus acquired a competency, and perhaps amassed a fortune, is liberal in dispensing his wealth.

At the outset, he is careful to indulge in no extravagance, and to live within his means, the neglect of which precaution he finds involves so many in failure and ruin. Simple in his manners, and unostentatious in his habits of life, he abstains from all frivolous and foolish expenditures. At the same time,

he is not niggardly or mean. On the contrary, he is liberal in the whole arrangement of his household, where every thing is for use and comfort, and nothing for ostentation and display. Whatever will contribute to the improvement and welfare of his family, or whatever will gratify their innocent tastes, be it books, or engravings, or pictures, he obtains, if within his means, though it cost much ; knowing that at the same time he may foster the genius and reward the labors of our native authors and artists, an estimable class of men, whose works reflect honor upon their country, and who consequently merit the patronage of the community. But whatever is intended for mere parade and vain show, he will have none of, though it cost nothing. He thinks it wise and good economy to spend a great deal of money, if he can afford it, to render home attractive, and to make his children wise, virtuous, and happy. Above all, he never grudges what is paid to the faithful school-master for their intellectual and moral training ; for a good education he deems above all price.

Having thus liberally provided for all the wants of his household, the good merchant remembers and cares for all who are related to him, and who may in any way stand in need of his aid. And this aid is administered in the most kind and delicate manner. He does not wait to be solicited ; he will not stop to be thanked. He anticipates their wishes, and by a secret and silent bounty removes the painful sense of dependence and obligation. He feels it a pleasure, as well as a duty, to help them ; he claims it as his privilege to do good unto his brethren. He would feel ashamed to have his needy relatives relieved by public charity or private alms.

But our good merchant feels that he has duties, not only to his immediate relatives and friends, but to a larger family, the community in which he lives. He is deeply interested in its virtue and happiness, and feels bound to contribute his full share to the establishment and support of all good institutions, particularly the institutions of learning, humanity, and religion. He is led to this by the expansive and liberalizing spirit of his calling. It is, unfortunately, the tendency of some occupations to narrow the mind and contract the heart. The mere division of labor, incident to, and inseparable from, many mechanical and manufacturing pursuits, though important and beneficial in other respects, yet serves to cramp and dwarf the intellect. The man who spends all his days in making the heads of pins, thinks of nothing else, and is fit for nothing else. Commercial pursuits, on the other hand, being so various, extensive, and complicate, tend to enlarge the mind, and banish narrow and selfish feelings. The merchant looks abroad over the world, puts a girdle round the earth, has communications with all climes and all nations, and is thus led to take large and liberal views of all things. The wealth which he has acquired easily and rapidly, he is consequently disposed to spend freely and munificently. It has been beautifully said of Roscoe, the distinguished Liverpool merchant, "Wherever you go, you perceive traces of his foot-steps in all that is elegant and liberal. He found the tide of wealth flowing merely in the channels of traffic ; he has diverted from it invigorating rills to refresh the gardens of literature. The noble institutions for literary and scientific purposes, which reflect such credit on that city, have mostly been originated, and have all been effectually promoted, by him." In like manner, our good merchant encourages learning, and patronises learned men. He is particularly liberal in endowing the higher seats of education, whence flow the streams that make glad the cities and churches of our God.

The good merchant is, likewise, a munificent benefactor to all institutions which have for their object the alleviation of human wretchedness, and the cure of the thousand ills which flesh is heir to. He lends, too, a substantial support to the institutions of religion. He feels the need of them himself, and he understands their unspeakable importance to the peace, good order, and virtue of society. He thinks that he sleeps sounder, and that his property is more secure, in a community where the sanctions of religion are superadded to the penalties of the law; where the stated inculcation of religious principles and sentiments diffuses a healthy moral atmosphere, which, though unseen, presses like the weight of the surrounding air, upon every part of the body politic, and keeps it in its place. Accordingly, he contributes cheerfully and liberally to the support of public worship, and moreover, as Fuller says of the good parishioner, "he is bountiful in contributing to the repair of God's house, conceiving it fitting that such sacred places should be handsomely and decently maintained."

Such we conceive to be the character of the good merchant. It may, perhaps, be thought by some that the character is a visionary one; and that, amidst the competitions of trade, the temptations to unlawful gain, the eager desire of accumulating, and the natural unwillingness to part with what has been acquired with much labor and pains, there can be no place for the high-minded and generous virtues which we have described. We might have thought so too, if we had never seen them exhibited in actual life. The portrait which we have attempted to draw is not a fancy sketch, but a transcript from nature and reality.

WILLIAM PARSONS was born at Byfield, Massachusetts, on the 6th of August, 1755. He was the son of the Reverend Moses Parsons, the clergyman of that town, and was one of eight children, three daughters and five sons, among the latter of whom was the late distinguished chief justice of Massachusetts. After receiving a good education at Dummer Academy, he became an apprentice to an elder brother who was engaged in trade at Gloucester. Before coming of age, however, he entered upon the hard and perilous life of a sailor, which he pursued for five years, having the command of a vessel, and making many successful voyages. Like many other of our rich merchants, who were the architects of their own fortune, he took his first lessons in industry and enterprise amidst the hardships, privations, and dangers of a sea life; than which, there is no better school for the development and exercise of intellectual and moral energy.

In 1780, at the age of twenty-five, Mr. Parsons quitted the sea, and married the lady who, for forty-seven years, by her congenial spirit and the similarity of her views, by sympathizing in all his benevolent feelings, and co-operating in all his plans and deeds of charity, contributed so much to make his life tranquil and his home happy. In the same year he entered into business, and removed to Boston, where he remained till his death, a period of fifty-seven years, actively engaged to the last in commerce and navigation, having, at the time of his demise, one vessel upon the ocean, and dying, at the age of eighty-one, the oldest merchant and ship-owner in Boston.

The prominent traits in the character of Mr. Parsons, were his unbending integrity, his uncompromising adherence to truth and right, his conscientious regard for duty, his entire freedom from selfishness, and his tender and comprehensive benevolence. These qualities shed a daily beauty on his life, and spread a sacred fragrance over his memory.

In the mercantile community no one stood higher than Mr. Parsons;—

his very name was synonymous with integrity. In all his transactions he was systematic, exact, high-minded, honorable. By a regular yet not slavish attention to business, he amassed a handsome fortune, which would have been much larger, had he made business the sole end of life, or had he not distributed his wealth, as he went along, with such a free and liberal hand. His losses, which at times were great, never disturbed his singular equanimity; he regretted them only as curtailing his means of doing good. To his honor it should be mentioned, that he never had a dispute with the numerous mechanics and laborers whom he employed. He might sometimes, indeed, think himself wronged, and perhaps say so; but yet he would pay the bill, and leave the man to settle the matter with his own conscience.

The wealth he had thus honorably acquired, he spent in the most generous manner. He had an open heart and an open hand. Considering his first duty to be to his own family and relatives, he gathered them under his wing, and overshadowed them with his love. His house was like a patriarch's tent, or the gathering-place of a tribe. He was a sort of universal providence, remembering the forgotten, and attending the neglected. The absent were not out of his mind, nor the distant beyond the reach of his care.

But his good feelings and charities were not confined within this circle, large though it was. The destitute, the sick, the afflicted, resorted to him for aid and solace, and never applied in vain.

" His secret bounty largely flowed,
And brought unask'd relief."

Was any new charity contemplated, any humane object set on foot in the city, Mr. Parsons was one of the first to be applied to, to give it the sanction of his approval and the encouragement of his purse. And such applications, frequent though they were, he always attended to most cheerfully, and responded to most liberally, deeming it a favor that the opportunity was afforded him of doing his part in promoting a good object.

His house was long the seat of a generous, but quiet and unostentatious hospitality, where there was nothing for display, but every thing for the comfort of his guests. His doors were open for his friends to enter at all times, and they were sure to be received with a cheerful welcome and a placid smile.

He departed this life in the spring of 1837, full of years, full of usefulness, and full of honors. As has been beautifully said of another, "Death, which harmonizes the pictures of human character, found little in his to spiritualize or to soften. Kindness of disposition was the secret but active law of his moral being. He had no sense of injury but as something to be forgiven. The liberal allowance which he extended to all human frailties grew more active when they affected his own interests and interfered with his own hopes; so that however he might reprobate evil at a distance, as soon as it came within his sphere, he desired only to overcome it by good. Envy, hatred, and malice, were to him mere names,—like the figures of speech in a school-boy's theme, or the giants in a fairy tale,—phantoms, which never touched him with a sense of reality. His guileless simplicity of heart was preserved by the happy constitution of his own nature, which passion could not disturb, and evil had no power to stain. He diffused the serenity of a good conscience, and the warmth of unchilled affections, through a large circle of relatives and friends, who were made happy by his mere presence. Such was

he to the last, amidst the infirmities which age had accumulated around him — the gentlest of monitors and the most considerate of sufferers."

"Of no distemper, of no blast he died.
But fell like autumn fruit that mellowed long;
E'en wondered at because he dropped no sooner.
Fate seemed to wind him up for fourscore years
Yet freshly ran he on two winters more:
Till, like a clock worn out with eating time,
The wheels of weary life at last stood still."

ART. VI. — NEW COMMERCIAL FIELD.

Travels in South Eastern Asia, embracing Hindostan, Malaya, Siam, and China, with a full account of the Burman Empire; with Dissertations, Tables, &c. By Rev. HOWARD MALCOLM. Boston: 1839. Gould, Kendall, & Lincoln. 2 vols. 12mo.

HERE is one of the few books of travels which is to be bought and studied, and referred to in future, not borrowed and read. Its pages are crowded with facts respecting things, as they are not with incidents which happened to the traveller. The botanist, politician, geologist, geographer, and merchant, will each find his own department rich in information. The advocate of missions will find more, both of information and encouragement, than he can obtain any where else, respecting these countries; and the mere miscellaneous reader will enjoy it as well as any novel, or narrative, of the day. The style is what it should be, grave and dignified, yet sprightly and neat, coming directly to the point, without waste of words, and making the reader forget the author in his interest in the subject.

It would occupy too much space to condense and arrange, for a single number of our work, all the important commercial information contained in the volumes before us, as too many of the facts, prices, &c., are stated in an insulated manner; but we take pleasure in gathering some paragraphs, and giving the substance of others. It is very desirable that our enterprising merchants should scrutinize this field afresh. With some sections of the East, such as Batavia, Calcutta, Sumatra, Canton, etc., we are intimately engaged in a lucrative and honorable trade; but with Burmah, Siam, and the Malay peninsula, we are doing almost no business, while the prices of various articles, stated by Mr. Malcolm, furnish strong inducement to feel our way in these places.

To avoid the trouble of constant quotation, we have thrown into our own language the facts and reasonings of the author of the work above named.

From Burmah might be imported paddy,* lac, anatto, turmeric, tobacco, tea, and black varnish, beside rubies, sapphires, noble serpentine, and bullion. Rice and bullion are not allowed to be exported from Burmah Proper, but there is no restriction at Maulmain, Akyab, Ramree, Rangoon, and other places under British sway. Rice is therefore dearer at Rangoon and Bassein. Paddy was selling at Rangoon, during Mr. M.'s visit, for the almost incredible low sum of two dollars and thirty cents per hundred bushels! The best of cleaned rice retailed in the Bazar, at the same time, for a fraction less

* Rice in the husk. Cleaned rice will hardly do well for so long a voyage.

than twelve cents per bushel, or about a quarter of a cent per pound! At Maulmain, and the other places named, it is three or four times as dear; but even at this rate may be imported at a large profit. The black tea of the western provinces of China, is brought by caravans to Ava, and thence finds its way to all parts of the kingdom. At Rangoon it costs but twelve cents a pound. It comes in hard round balls of about a pound each. The flavor is peculiar, but those who use it a few times prefer it to any other.

Stick lac is largely exported from Burmah to Calcutta, for England. It is of the finest quality, and if it can be sent to England with profit, it can be sent here. Indigo is indigenous to Burmah, and might be raised in any quantities; but the monopoly of the East India Company, in Bengal, prevents all demand for it in Burmah by the resident merchants, and none is exported. The black varnish may be had for a song, and according to Mr. M.'s description would be an invaluable addition to our present list of foreign importations. It is the gum of a tree found abundantly in the forests, and possesses several very important qualities. It is so impervious to water that a single coat makes an article water tight. It is, when thinned, a beautiful black varnish, and is used in the manufacture of the wooden-ware, and strong lacquered cups and boxes. It is the tact with which Burmans gild pagodas and idols, and gold leaf, put on with it, stands the weather till wholly worn away. On travelling trunks and harness it would be admirable. The rubies of Burmah are the first in the world, and the tobacco is equal to the Havanna.

Tobacco grows wild in many places, and is cultivated in most parts of the country. There are several kinds, some of which is not surpassed for smoking by the finest Havanna. The best sorts and qualities sell at about a rupee a viss; the middling sorts, about half that price; and the poorest, four or five viss for a rupee. The best is raised on the rich levels of the maritime districts, and water-courses. The culture of this article might be almost indefinitely increased; but it has not become an article of export. From a thousand to twelve hundred pounds are yielded per acre, on an average.

A little is used for chewing; but the consumption for smoking is very great, not in pipes, but in cigars or chiroots, with wrappers made of the leaves of the 'Then-net tree. In making them, a little of the dried root, chopped fine, is added, and sometimes a small portion of sugar. These are sold at a rupee a thousand.

The tea-plant grows indigenous in all the upper provinces, and is raised in large quantities for exportation to the rest of the country. Part of it is prepared as a pickle, in which form it is a favorite article of food among all classes; and part is dried and put up in hard round balls. Mr. M. used the latter during his whole residence in the country, and coincides with all the missionaries in pronouncing it equal to the best black teas of China. The taste, however, is somewhat peculiar, and few are fond of it at first. It is generally supposed to come from China, being mostly brought by the Chinese and Shyan caravans; but several of the chief men at Ava assured him it is the product of their own territories, purchased on the way. It sells at Ava at about one rupee a viss, (twelve cents per pound.) In the lower provinces, it brings double that price. But even at the latter rate, it is exceedingly cheap. There is no obstruction to its exportation.

Black pepper is indigenous, and in some places small quantities are cultivated. It might be made a great article of export; but the natives do not esteem it as a condiment, preferring the long red pepper, or chilly. The latter article might also be made an exportant article of commerce, and is

now imported to some extent. With it, the people of the upper districts purchase rice, etc., from the lower districts. It is found wild in great quantities. Cultivation seems to increase the size, but not the pungency of the plant.

The sugar-cane attains its full size and richness in certain spots, and sugar might be exported to a great extent. Millions of acres, adapted to its most successful cultivation, lie wholly uninhabited. Though almost every Burman raises a little sugar-cane, it is merely to be eaten in its natural state, and none, that we know of, resort to it for sugar. The Chinese round Umerapoor make a considerable quantity of excellent light-brown sugar, which is sold very cheap. They also clay some of it, and produce an article as white as our loaf-sugar, but much abridged of its sweetness.

Indigo grows wild, and is cultivated also to some extent. The mode of extracting the dye is unskilful, and the whole product is used in the fabrics of the country. The high price of labor will forbid the exportation of this article.

The import of rice to this country is not the only aspect in which the low price of that article in Burmah is to be regarded. It will do to carry to China, better than from Batavia, whence our vessels now obtain it. Thus the cargo carried to Burmah may be converted into rice, silver, lac, edible birds' nests, sharks fins, sea slugs, ivory, cotton, and sapan wood; and taken to Canton for a load of tea.

At Maulmain, Kyouk Phyoo, Akyab, and Mergui, on the Burman coast, there are no restrictions; vessels pay no tonnage, and merchandize no duty. At the first of these places there is a regular establishment of pilots, at low charges; and such as choose to dispense with a pilot pay a small sum for the buoys. The city stands twenty-five miles up the Salwen river, with black buoys on one side of the channel, and red on the other, all the way. At the mouth of the river stands Amherst, where the pilots are stationed. Vessels making this port will find pretty good direction in Hosburg. The channel is narrow, but deep and safe. The coasting trade of Maulmain is thus described by Mr. Malcolm:

"The imports from Tavoy and Mergui are principally attaps, or dennees, (leaves stitched upon strips of rattan, ready for thatching,) damar torches, cardamoms, sapan wood, gnapee, rattans, preserved doryans, mats, salt, yams, and ivory. In return are sent to these places, cotton, oil, English goods, paddy, beef, lime, and tamarinds.

"From Rangoon are imported cutch or catechu, stick lac, gram, oil-seed, earth oil, sesamum oil, lappet, (tea,) wheat, ivory, lackered ware, glazed pottery, jaggery, (black sugar,) Burman silks, tamarinds, chillies, garlic, etc.; and in return are sent areca nuts, cotton, dates, English goods, cocoa nuts, etc.

"From Penang are brought umbrellas, muskets, torches, dates, coffee, etc.; and in return are sent chiefly paddy and rice.

"From Calcutta are brought specie, English goods, wines, ginger, steel, rose water, sugar; and almost the only important return is teak timber. The same may be said of Madras. This is about the whole commerce of Maulmain. From eight to twelve vessels enter and clear per month."

The ports of Rangoon and Bassein, the former on the western, and the latter on the eastern mouth of the great river Irrawaddy, are the only good harbors now belonging to Burmah Proper. The commerce of the former place was formerly very considerable, but the latter now is more frequented by foreigners. Of Rangoon, Mr. Malcolm informs us, that, "The exports

are teak wood, cotton, ivory, wax, cutch, and stick lac, and in small quantities, lead, copper, arsenic, tin, edible birds' nests, indigo, amber, tobacco, honey, tamarinds, gnapee, gems, sharks' fins, orpiment, sapan wood, and sea slugs. The nine last named articles are of such limited amount as scarcely to deserve notice. By far the most important item is teak, which is chiefly sent to Calcutta and Madras. The value of this article alone amounted, in former years, to £200,000 per annum. It is now not more than a fifth part of that quantity. About two million pounds of raw cotton are sent to Dacca, where it is used in the manufacture of the fine muslins for which that place has been so celebrated. The Burman collector informed a merchant at Ava, that about thirty million pounds are sent up the Irrawaddy, annually, to China; but Colonel Burney estimates it at about four millions. Nearly four millions per annum are sent to Arracan. None is exported in the seed. The sea slug is derived from the coasts of Mergui. It is commonly called *Biche de mer*. It is a large marine worm, somewhat resembling a leech, which, when properly cured, is regarded as a great luxury by the Chinese. The mode of curing is to boil them in salt water, and then dry, or perhaps smoke them. There are three principal kinds — black, red, and white. The white sell at ten to twelve dollars per tical, (one hundred and thirty-three pounds,) the red for twenty-five dollars, and the black for fifty dollars. Of each of these there are various sizes. Some, when dried, are seven or eight inches long, and one and a half in diameter; others are not larger than a man's finger. The shark's fins have a skin which is valued for polishing substances in the manner of fine sand paper. Their chief value is for the tendons, which are an article of food with the Chinese. They are drawn out and dried, resembling in this state silver wire, and are used in soup, as the Italians use vermicelli. Gnapee is made from prawns, shrimps, or any cheap fish, salted and pounded into a consistent mass. It is frequently allowed to become partially putrefied in the process. It is sometimes called in commerce *Balachong*."

The proper articles to carry out to Burmah, are, cotton jean and shirtings, gingham of gay colors, Scotch book muslins, coarse green and red cloth, cotton twist, cotton handkerchiefs, (gaudy colors, in which red predominates,) gunpowder, muskets, and pine spars of moderate size. In small quantities the following articles also may be disposed of: writing paper, lead pencils, slate paper, slate pencils, black bottles and common vials, horse pistols, flints, pelisse cloth, or cassimere of light texture and very fine, for noblemen's shawls, yellow soap, small Liverpool bowls, cups, and saucers, common country thread, bar iron and steel, raw silk, moulded glass saucers and small plates, blue and green cotton umbrellas, two and three inch augers, fine tooth combs, small brass kettles with handles.

The same articles suit the Siam market, and from thence a vessel is more sure of obtaining a cargo, as the great staple is sugar, which can always be purchased at a safe price. Besides this, the Siamese export frankincense and gamboge in large quantities. Besides these articles, tea and other productions may generally be bought at Bangkok cheaper than at Canton.

In essaying this new direction to trade, vessels should be fitted out with principal reference to Calcutta or Singapore, and so take Burmah on the way to the former, or Bangkok in connexion with the latter. Some specie should be put on board, as this is always sure of commanding goods at the lowest prices.

We close our notice of these interesting volumes with a few paragraphs relative to the coinage and currency of Burmah:

"The country has no coinage. Silver and lead pass in fragments of all sizes, and the amount of every transaction is regularly weighed out, as was done by the ancients. (Gen. xxiii. 16. Ezra viii. 25.) It is cast by the assayers in thin round cakes, weighing two or three ticals, but is cut up with mallet and chisel to suit each sale. The price of a thing, therefore, is always stated in weight, just as if we should say, in answer to a question of price, 'an ounce,' or 'a drachm.' When an appearance like crystallization is upon the centre of the cake, it is known to be of a certain degree of alloy, and is called 'flowered silver.' Of this kind, which is called *Huet-nee*, the tical is worth fifteen per cent. more than the Sicca rupee. The *Dyng* has the flowered appearance over all the cake, in larger and longer crystals; and is cast into cakes weighing about twenty ticals; but varies exceedingly in fineness, being of all qualities, from *Huet-nee* to ten per cent. purer. It is assumed to be five per cent. purer.

"An inferior kind of silver, even to twenty-five per cent. alloy, circulates freely, for smaller barter. The people, however, are not deceived in its quality, for the degree of purity is detected by them with great readiness, chiefly by the appearance left on the cake at cooling.

"Silver, in passing from hand to hand, becomes more and more alloyed, so that, when a man is asked the price of a thing, he says, 'Let me see your money?' He then regulates his charge by the quality of the silver, and a piece is chopped off to meet the bill; change, if any, being weighed in lead.

"Gold is scarcely used as a circulating medium, being absorbed in gilding sacred edifices, or in jewels. By Burman estimate, gold is eighteen times the value of silver. It often rises to twenty or more, when the people are compelled to obtain it at any price, to pay their tax toward the gilding of some pagoda.

"Small payments are made in lead. Each vender in the bazaar has a basket full of this lead. Its general reference to silver is about five hundred to one. It varies exceedingly, however, in its proportion; sometimes fifteen viss of lead is given for a tical, and sometimes only seven or eight, at Ava. In distant parts of the country, where the silver is more alloyed, three or four viss is given for a tical.

"The late king, Menderagyee, attempted to introduce small silver coin, which he made with a mint establishment imported from England. But he required his ticals to pass for sixty per cent. above their real worth, and the copper for nearly three times its worth. The consequence was a universal stagnation of business; and, after urging his law so far as to execute some for contumacy, he was at length obliged to let silver and lead pass by weight, according to their real worth, as before. The people are not anxious for coin. They cannot trust their rulers; they love higgling in bargains; they make a profit on their money, as well as goods, by increasing its alloy; and a numerous class of assayers, or brokers, called *Pwa-zahs*, (by foreigners, *Poy-zahs*,) subsist by melting up silver, to improve or deteriorate it as they are desired. This they do before the owner's face, and have only the crucible and scorix for their trouble.

"At Rangoon, the Madras rupee circulates generally for a tical; and along the rivers up to Prome, it is known, and will be received. But at the capital, and throughout the interior, it is weighed, and deemed an inferior

silver. In Arracan and the Tenasserim provinces, rupees, pice, and pie, now circulate as in Bengal, and money is scarcely ever weighed.

“The common rate of interest, when collateral security is deposited, is two or three per cent. a month; when there is no security, four or five per cent. If the interest become equal to the principal, the debt is cancelled. Creditors, therefore, exact new notes from their debtors every few months, if the interest be not paid.”

MERCANTILE LAW.

ART. VII. — POPULAR SUGGESTIONS OF THE PRINCIPLES OF CO-PARTNERSHIP.

HAVING, in the previous number, considered the condition of co-partners towards the public, we next proceed to notice their position as to each other. The rights and duties of partners between themselves, depend chiefly upon the co-partnership agreement, and in matters where that is silent, they are governed by rules of law, growing out of plain equity and the dictates of natural justice.

The co-partnership agreement is sometimes drawn up in great detail; sometimes is a mere memorandum, in which those particulars only are noticed which happened to be thought of at the moment; and in other instances, probably the most numerous, the fact and details of the co-partnership are left to be inferred from the parties transacting their business jointly, and the entries in the joint books of account. Although a formal agreement of co-partnership is far the most convenient, especially when it provides for the events growing out of a dissolution, yet the agreement evidenced in any other form, is equally valid. When the agreement is formally drawn up, it usually specifies the commencement and intended duration of the co-partnership; the kind of business to be pursued; the proportion of capital to be brought in; the manner in which the gains and losses are to be divided; whether interest on capital is to be charged, and at what rate; the allowance which the co-partners may withdraw yearly for their private use, and the disposition which is to be made of the joint property in the event of a dissolution. The latter is the most important of all the stipulations, and it is one of the first suggestions of a prudent circumspection, to provide, at the commencement of the union, when there is mutual confidence and good feeling between the parties, and when the uncertainty as to which party shall fall under the adverse operation of any stipulations ensures the adoption of such as are mutually and reciprocally just, for the disposition of property in the event of a dissolution; an event upon which it becomes so peculiarly situated, from the equal and conflicting rights of dissenting owners, that the only administration of it which the law can sanction, is to take it from all.

Where the co-partnership agreement is explicit, the co-partners must, in all cases, conform to it. A breach on either part, except where otherwise provided, is generally a good ground of dissolving the co-partnership; or the unoffending partners have a right to put all the consequences of the default of the offending party to his individual charge, or if it is likely to result advantageously, to claim the benefit of it. Thus, where it is stipulated that each, or any partner, shall devote all his time and efforts to the advancement of the

joint interest, or that neither shall engage in any business on his own account, the other co-partners on discovering a violation of this obligation, have their election, either to claim the benefit of the business done in violation of the agreement, or to leave it to the offending party; they have also the right thereupon to dissolve the union; and in case any injury results to the joint interest, to charge it to the account of the offender. The right to adopt the profit of the separate business, results from the stipulation by which all the time and efforts of the partners are devoted to the joint benefit; and the offending partner is precluded from setting up that his speculation shall stand for his own benefit, when if such were its intent, it was a violation of his own agreement and of the rights of others.

Often co-partnership agreements provide against the co-partners becoming bound as surety, or otherwise, during the co-partnership, except for the business of the firm. The violation of this stipulation gives the right to dissolve the co-partnership. This stipulation is exceedingly useful; not that any such contracts of suretyship bind the co-partnership, for, ordinarily, they do not, and being private stipulations between the parties, they do not affect the public; but this stipulation acts as a salutary admonition and restraint upon co-partners, especially the younger members of houses, from the indulgence of a heedless kindness, and relieves them from solicitations for favors, which it is often difficult to refuse, and always wrong to grant. Besides, the co-partnership interest cannot but suffer from every thing which burdens the respective parties, either as to time or fortune, or which tends to divert their minds from the pursuit of the common interest to which they all stand pledged. Again, if by such implications, an individual co-partner becomes embarrassed and insolvent, his interest in the co-partnership becomes subject to the claims of his creditors; his co-partners are obliged to wind up their joint business, and to settle it, at great loss and inconvenience, with parties adverse to them both in feeling and interest. Such stipulations, therefore, are not only useful, but ought to be most rigidly adhered to, and their violation regarded as unjust and treacherous.

Where the co-partnership agreement does not specify the ratio of division of the profits or losses, they will be equally divided among the partners; where the ratio of the division of profits is specified, but that of the losses is not, the latter must generally be divided in the same ratio. A case sometimes occurs, where a partner is taken into a firm, who is merely to contribute his services, and who notoriously has no other means of meeting losses than what his proportion of the profits of the business may supply; supposing that it is not prescribed that he is to bear losses, what is the rule of law on this case? Can his co-partners be deemed as looking to him, in entering into the union, for the loss of more than all he is to contribute, namely, his time and labor? Can they be deemed to look to him for a contribution of property, which he obviously has not, and will not have, if the joint business be unsuccessful? The case is not without difficulty, and is not fully settled by authority. At the same time, there seems to be not sufficient reason to exempt such a co-partner from bearing his share of the losses as in other cases; by the union, the business is one for benefit; if he is to bear no part of the loss should the business at any time afford no profit, his interest would cease, when a losing period arrives, and his motives to exertion would become weakest, when the exertions of all are requisite to diminish the effect of adversity, and to prevent the business, which has become a losing one, from becoming ruinous. Policy and even-handed justice, would seem to require that he should stand the even-

tual risk on the gaining and losing sides, and if the result be to involve him in insolvency, it is a result which ought to have been looked at as possible, when the union was formed. In such cases, however, and indeed in all cases, every dictate of prudence requires that the division of profits and losses should be always distinctly agreed on.

Every co-partner, during the co-partnership, has a right to be consulted, and to be kept informed of all business transactions of the firm: he has a right always of access to the co-partnership books and securities. These are principles too obvious to need illustration.

He has also a right to dissent from any operation about to be entered on by the firm; it being the law that each partner has a veto upon the conduct of the others, so far at least as to discharge himself from any loss accruing by it. Otherwise, his right to be consulted would be merely nominal; besides, the co-partnership gives the co-partners an authority, which is, in its legal nature, revocable; a co-partner cannot, against his consent, be carried by his firm into an operation from which he persists in dissenting. If the co-partnership articles have provided that a majority should decide, still it is questionable if they can compel the dissenting partner to bear his share of the loss; since an authority, which, in its very nature, is revocable, cannot by agreement be made otherwise. But, doubtless, in such a case, a mere wanton dissent and refusal would afford just ground for a dissolution.

A co-partner, also, has a right to be indemnified out of the co-partnership effects, for all balances due to him, from the co-partnership, or either co-partner, growing out of his advances or liabilities, as co-partner; the rule being, that neither co-partner has any separate right to any part of the joint property, until after the joint debts, and the debts or balances to the co-partners themselves, are paid. A co-partner, therefore, in such cases, is entitled by law to a preference for his debt, upon his co-partner's balance, over all individual acts of the co-partner, by assignment or otherwise, and over the claims of the individual creditors. This right is quite generally understood as to general and permanent partnerships. Its most important application, however, is to be seen in the special adventures on joint account, or partnerships for a single adventure. Thus, if persons engaged in a joint shipment, or as joint owners of a ship, are induced or compelled to advance more than their share to one of their co-adventurers, who either attempts to defeat him of his payment by a different application of his interest in the joint property, or whose creditors attempt to divert it, this right of preference becomes vitally important; it frequently ought, at the outset of the adventure, to determine the merchant as to engaging in it. In such cases, it is well settled, that if the joint ownership be such as to constitute a co-partnership, general or particular, then the right of retainer and indemnity exists; otherwise, it does not. Every joint ownership, however, does not constitute a co-partnership. Joint owners of a cargo, or of any other personal property, of a race horse, of a flock of sheep, of ships, are not, of course, co-partners; to constitute such an ownership co-partnership, it is necessary that there should be either an express agreement that a special co-partnership in such property should exist, or that it should have been purchased with the funds of an existing co-partnership, as a part of its business property, or that the loss or gain upon the sale of it should have been agreed to be for the joint account. When these cases occur, then the joint obligations, in relation to the joint property, spring up, and the rights of preference, between each other, over strangers, arise along with them.

In relation to ships, these principles need to be far more generally understood than they are. From the necessity which ships are subject to of expenses for repairs and maintenance, joint owners of ships are always jointly liable; and the freights, also, are very frequently received by one of the joint owners, who is denominated the husband of the ship. It often, therefore, occurs, that one part owner shall, from the failure of his co-proprietors, be obliged to pay more than his share, or that the ship's husband has received more than his share of her earnings. The expectation of the merchant, in such cases, generally is, that he can claim, upon the delinquent owner's interest in the ship herself, for the balance owing by him, or which he ought to bear. This, however, is not so; and such owner may defy the other owners, either refusing to apply his share of the ship to the indemnity of the others, or he may defeat it by a transfer, or his creditors may by an execution. It is only in the cases where a partnership exists as to the ship, in some of the modes above described, that this right of indemnity and preference, so important and apparently so just, arises. A mere joint interest is like any other individual property; it is subject to no other liens than are expressly given by the owner, and merely becoming a joint contractor does not give one.

Joint speculations in land, either for the purpose of the profit on a re-sale, or for the accommodation of the co-partnership business, are not unfrequent. As to land, at law it never is a co-partnership subject; and, in all such cases, the land does not become subject to the co-partnership principles; the several co-partners cannot, by acts not united in by all, subject it for the debts of their firm; they cannot, as co-partners, sell it; it is not subject, at law, to the co-partnership debts, in preference to individual debts: the widow and heirs at law of a deceased co-partner, become entitled to it, only subject, as to the heirs at law, to the ordinary liability of land for debts. And this is all true, although the property have been purchased in such a manner as would, if it were personal (moveable) property, be clearly co-partnership property. The rules of law, as to lands, are of a kind too precise and rigid, to admit of the various implied rights and powers, resting upon the mercantile law of partnership.

In such cases, however, courts of chancery, in the application of certain principles, implying a trust for the benefit of those with whose funds lands are purchased, will, to some extent, give relief. But the condition of land is so peculiar, in its relation to co-partners owning it jointly, as always to require deeds to be very specially penned, to secure its application, according to the convenience of the co-partners, and to the dictates of justice, as by them understood.

The only other right of a co-partner, during the co-partnership, needing notice, is, whether he possesses that of assigning the co-partnership property, on its insolvency, in payment or security of its debts. The existence of such a right is not very clearly or decidedly recognised in the law; there are principles which seem to require its existence and acknowledgment. Unless it exists, in the case of absent co-partners, there is great difficulty in securing a just disposition of the property among the creditors, either by way of preference, according to received usages and expectations, or by way of a rateable and equal distribution. Executions may be obtained by urgent creditors, which would defeat all equality or propriety of payment. It would seem, however, that, ordinarily, the power to make such an assignment does not exist, because the powers implied in co-partners are powers

for carrying on the business, and not for its final termination. But the absence of a co-partner, or his inability to execute an assignment, in an emergency, necessity might give rise to the authority. The refusal of a dissenting partner, however, seems, upon general principles, to be fatal, if given before the execution of the assignment, upon the general principle of his right to dissent, as above considered. The whole of this branch of the subject is one of difficulty, which is pointed out rather as containing dangers, than with the pretence of indicating a clear channel to pass through them. The ever numerous accidents of commerce in this country, will, no doubt, present cases for the final clearing up of this subject, and disperse the clouds now resting upon it.

The next branch of this subject is the dissolution of the co-partnership: the union must come to an end; death interferes, dissension interrupts, or time brings it to a close.

The dissolution by death is the most simple in its effects. Notwithstanding the fixing of a term for the continuance, death intervening, triumphs over this branch of the agreement. The co-partnership terminates, as to the public; and it also ceases, as between the parties, unless by special stipulations, which are, in this respect, very convenient, and often necessary, the continuance of the property under co-partnership control be provided for. Upon death, the co-partnership property goes to the surviving partners, or partner, who hold it for the settlement of all the affairs of the firm, and then to account to the executors of the deceased for the balance due to him. The property does not go into the hands of the executors of the deceased; and the surviving partners, being owners in law, have the full right of applying it, according to their discretion, in the payment of the debts, according to such views of preference or equality as they think fit; the property is held by them, not as trustees, but as accountable owners. Should the surviving co-partner be an unsafe depository, or exhibit any fraudulent misapplication or waste of the property, the creditors may pursue him at law, or the executors of the deceased in equity; and the property may be taken out of his hands, or securities for a faithful accounting compelled. The property is to be accounted for according to its just value, as ascertained by a sale, and by actual collections, and the survivor is allowed to make no separate profit for himself in the settlement.

When the co-partnership terminates by the expiration of the term agreed on, the situation of the property, if the agreement of co-partnership has been so carelessly drawn as not to provide specially for it, is mainly as follows: the property held in co-partnership is now merely held jointly without the right of the parties to dispose of it, except by joint consent, or the order of a court. Each partner has an equal right to the possession of it, and therefore neither can take it from the others, nor compel by law its redelivery to him, if by them taken out of his hands. Each has the power to receive or release the debts, without consulting with his co-partner. Neither has the right to pass away negotiable paper, except in payment of the debts of the co-partnership; but he may have the opportunity to dispose of it, if in his actual possession, to *bona-fide* purchasers, and thus put himself in funds subject only to the liabilities of an accounting party, with a balance in hand. In short, the whole property is in a situation of the greatest embarrassment, and unless by the aid of a court of equity, the civil death of the co-partnership would ordinarily work the destruction of its property. The consideration of the extent and character of this court's interference will, however, be for a moment deferred.

The next mode of dissolution is by the dissension of the partners. Co-partnership consisting chiefly in the mutually delegated authority or agency, and all authority being in its legal nature revocable, either co-partner, notwithstanding his agreement of co-partnership, may dissolve it, by declaring his intention to his co-partners, and making it known to the public. This revocation, although it may paralyze the other co-partners, as to making joint contracts, would not probably deprive them of the right of holding the property for the purpose of closing their affairs, although this would probably depend upon the justice of the cause of the dissolution. Upon dissolutions, the most embarrassing dissensions frequently arise.

During the co-partnership, the pursuit of a common interest, the advantage which the firm derives from harmony among its members, and the forbearance towards each others faults and imperfections, which these circumstances produce, all tend to suppress the rising complaint, to strangle an envious rivalry, to stifle the coming reproach; but on a dissolution, these bonds are cut asunder, separate interests come to be satisfied in the arrangement of the joint property, the rivalry likely to take place between separated co-partners about to pursue their business on their separate accounts, the strife to bear away the advantages of the former establishment—all tend to awaken the remembrance of long passed grievances, as well as to sharpen every angry feeling, and to whet the eagerness of short-sighted avarice. The parties then are apt to disagree about the mode of distributing the goods and debts, the rates of valuation to be affixed to them, the custody of the property during the time that the joint debts remain unpaid, and the amount and sufficiency of the security to be offered by one to the other. Perhaps one of the co-partners may project the buying out of the interest of the others, or may ascertain that their circumstances render a speedy settlement very important to them; he then throws difficulties in the way, is unwilling to enter upon mutual concessions, or to treat upon terms of reciprocal justice; and very often does it happen, that each assumes the attitude and expresses the menace of seeing which can do the other the most harm. Without enlarging upon the base and detestable exhibition of such feelings, and upon their inconsistency with honor or good faith, mutual interest, or common justice, let us consider now how the law (the dernier resort, as well of the quarrelsome as of the injured) deals with the property.

The dissolution generally finds the debts unpaid; the property with its ownership balanced among dissenting parties, so as to be rendered incapable of application to its purposes; the debts liable to be seized by each partner, as he can persuade the debtors to pay him; the creditors left to suits exhausting the funds with expenses; while the co-partners are striving for their own interests, or the gratification of angry passions. If none of the co-partners resort to a court of equity, the creditors recover their judgments at law for debts, and pursue the co-partners individually, exhausting first the man of most property, or whose effects are most accessible. It therefore becomes at once his interest to have the property put into a train of proper administration, and he applies, in a suit in chancery, for a settlement of the partnership accounts, for the appointment of a receiver to whom the partnership property and debts shall be delivered, and for an injunction against the partners respectively, from receiving or interfering with any of the effects until distributed by order of the court. This course secures the property from the wanton waste of the co-partners, but subjects it to heavy expenses, and to those losses which invariably attend the closing of estates by others than those

immediately interested in them as owners. This course also involves some delay, and it is therefore in many cases resorted to or threatened as a menace, by those who would be ashamed and restrained by public opinion, from producing the same injuries in a more direct manner. But it is to be remembered by all such, that the court of equity, while it acts according to principles well settled, yet acts in modes ever varying according to circumstances. If a case of oppression or great injury to the property occurs, it will, under suitable precautions of security, appoint some one of the co-partners receiver; may allow advances to be made out of the collections by the receiver, in case suitable securities are offered, and the apparent safety of the creditors' interests allow it; and generally it will so adapt its remedy, as to create the least possible injury to the contending parties, acting on the reverse of the warlike principle. The man resorting to it, in preference to an amicable settlement on terms of mutual concession, may therefore sometimes find that although he has inflicted on his former associate some wounds, his blows have chiefly recoiled upon himself. The court will cause the property to be sold for the payment of the debts, unless a specific division can be agreed on, and funds supplied from other sources than a sale for the payment of the debts; cases of specific division, by legal proceedings, are not to be found. No right exists in any party to take the property on appraisal. The court will also cause the co-partnership accounts to be settled under its own direction, and by its own officers, according to the co-partnership books and other suitable evidence. The final termination of the affair thus becomes somewhat protracted, and exceedingly troublesome and expensive. Still it is a better resort than submission to the threat of its inconveniences. A threat of the kind once submitted to, invites to every other possible unjust pretension, and of all courses is, considering its consequences, generally the most expensive.

But it is not very often that parties are so forgetful of their interests, in the vehemency of their desires to do injury to each other, as to stand out to these disastrous measures, and most frequently an amicable dissolution is agreed to. The parties divide the property by arrangements among themselves, assume their proportions of the debts, give securities to each other for the payment of the debts assumed, and so terminate their joint connexion. Of course, the modes of such settlement are very various; but it seldom happens, that a disposition to mutual concession, without which, opposing interest never can be reconciled, and the aid and advice of judicious friends, cannot bring a dissolved partnership to a better termination than a law suit will yield.

Sometimes a question is made as to what is called the *good will* of the firm, that is, its correspondence with the customers or dealers with the firm; and this is often supposed to be affected by possessing the old seat of business of the firm, or retaining its name. These advantages are perhaps real, but of a kind so indefinite that the law cannot easily deal with them. If the seat of the firm be real estate, it can be sold by partition proceedings, and its intermediate possession regulated by the law; if it be a lease with an unexpired term, it must be brought to sale, and one cannot keep possession of it in defiance of his co-partners. The name of the firm cannot commonly be retained after the dissolution, as the law of this state now requires the true names to be expressed in co-partnerships. The correspondence with customers, or the connexion with them, must be kept or obtained, as accident or enterprise shall determine.

When the dissolution has taken place, public notice of it must be given by advertisement in the places where the firm has had its houses of trade; and a further particular notice, to every one with whom the firm have had

previous dealings. Without this, the partners may still act in the name of the firm, and create liabilities on its members in favor of all who shall not be actually proved to have known the dissolution.

The partnerships hitherto treated of, are partnerships under the common law, and the principles developed are of general application in all the United States and commercial countries. In this state, a law has been passed allowing the formation of limited partnerships, in which a silent, or as this law calls it, *special partner*, puts in part, or all of the capital, but takes no active part in the business, and is permitted to be exempt from all liability as partner beyond the capital he has paid in. The conditions of this copartnership are, that the capital put in, and the nature of the partnership, be acknowledged before a magistrate, recorded in the counties where the business is to be transacted, and oath made of the actual payment of the cash capital in cash. The name of the special partner must not appear in the firm, nor may he act in its affairs, except as the adviser of the others, who alone must be the ostensible parties; and the special partner can receive back from the firm in no manner, directly or indirectly, any part of his capital put in, until the expiration of the co-partnership; and in the case of insolvency, no preference can be given of any creditors of the firm over others, nor can the special partner be paid until all the creditors are fully satisfied.

Great advantages have resulted from this law, especially to young men; and such are its conveniences as to induce the expectation of a constant increase of its use. The advantages and dangers of ordinary co-partnerships are alike striking. On the one hand, capital can be thus accumulated by the contributions of the co-partners; skill and capital united; skill in different branches of commerce made to co-operate; and capital, by the force of mercantile enterprise and combination, carried to its extreme of power. A banking co-partnership in Europe, is the financier, the convenient lender to the chief monarchies of Europe, and seems to have a voice in the decisions of its cabinets; although of a proscribed religion, its members are ennobled by sovereigns, and received with distinction by nations. Let them separate and form the best possible system of agencies, and how would their consequence shrink up! Partnerships are more effective than agencies, in consequence of the greater interest of the partners to promote the common advantage, and the greater confidence and power necessarily reposed in co-partners. Partnerships in our country, where capital exists chiefly in small quantities, and in many hands, are the very basis of our commercial operations. Without them we could not enter into any competition with the richer or more skilful commercial nations; without them, too, not only would the commerce of the country dwindle, but the instruments of it would be ranged into the classes of masters and servants, of rich capitalists enjoying a monopoly of trade by means of their enormous wealth, and of mere dependents, in the form of clerks and agents trembling at their nod, and falling not only by their misfortunes, but by their caprice. The great stimulus to fidelity and enterprise, in the hopes of the young man without fortune, would be greatly lessened, if not wholly destroyed.

On the other hand, we must present the reverse to the sanguine temperaments. The trust reposed in co-partners, notwithstanding all precautions, is wholly indefinite and unlimited. And when one thinks of forming a co-partnership with another, he should ask himself if he is willing to trust him with the power to ruin him; for such and no less is it. He will therefore be careful to consider not only his business capacity as a man of shrewdness,

of skill, of experience, but will need to look into his social and moral qualities. Is he a man of good temper, with whom difficulties will not be likely to arise? Is he placable, one who will not lay up the memory of an accidental slight, of a heated expression, or of an unintentional wrong, which you have done every thing in your power to redress? Is he a man keen in the pursuit of his own interest? Will he listen to any candid views adverse to his own? Will he, in a difference with you, be willing to unite with you in consulting mutual friends as mediators? Are you sure of his principles? Do you know his associates? All these are questions not merely of taste and curiosity, but entering into the very essence of your decision as to a partner. And let it never be forgotten, that well to sustain this useful relation, requires not only the qualities of sagacity and enterprise, industry and economy, which will enable one singly to do well; but also the social and moral virtues, which in all associations, alike form their common bond and their common honor.

ART. VIII. — MERCANTILE LAW CASES.

**CHEATING — BILLS AND NOTES — GUARANTY, OR LETTERS OF CREDIT —
USURY — INSURANCE, MARINE AND FIRE — VALUE OF THE POUND
STERLING — COMMISSION MERCHANTS.**

It is no disparagement to the judiciary of any other state in the Union to aver, that in Massachusetts mercantile cases are investigated with an industry, an earnestness, and zeal, no where excelled; and that the opinions of the several courts there are promptly given, and abound with copious learning, profound reflection, and liberal views. The Supreme Judicial Court of Massachusetts consists of five judges. The court sits for jury trials and to hear law arguments, in Boston, about six months in each year. At the jury trials but one judge presides, but all questions of importance are reserved for the consideration of the full court, and are adjudicated upon by that learned bench, after solemn argument at the bar.

Mr. Justice Story, of the Supreme Court of the United States, also holds sessions of the Circuit Court from time to time throughout the year, and the legal opinions of that accomplished jurist, it is hardly necessary to say, are highly valuable as repositories of sound legal learning, expressed in an elegant and flowing style.

Judge Davis, also, of the District Court of the United States, is an excellent admiralty judge. Indeed, he has been called by Mr. Webster the very best in the country.

CHEATING.

Confidence being the soul of trade, there is no class of men in the community who so often suffer from an abuse of it, as those for whom our Magazine is intended. And this, in our country, is often the fault of the law; for it is well known, that in some of the United States the merchant has no means of adequately punishing the knave who has abused his confidence, by obtaining goods without any reasonable expectation of paying for them, or with the express design of having them attached as soon as they come into his possession. The legislature of Massachusetts have made it a high offence for any person to obtain, designedly, by any false pretence, or

by any privy or false token, and with intent to defraud, any money, or any goods, wares, merchandise, or other property. Any person so offending may be imprisoned in the state prison, not more than ten years, or be fined not exceeding five hundred dollars. Perhaps the most effective feature of this law is, that it is not necessary to a conviction that the government prove an *intention* to cheat, on the part of a person who makes false representations at the time of obtaining the goods. If it be proved, that the purchaser, when he obtained the goods, actually made use of false representations for that purpose, the burthen is on him to show that his intention was not to cheat the seller ultimately.

There have been several convictions under this law, and persons are now in the state prison who are suffering its penalties. The effect of it has been salutary, and it has tended very much to restore confidence in the fair intentions of those coming from a distance to purchase goods, and of whose characters and standing little can be known, except from their own representations. It is common for the merchants of Boston to keep a book in which a stranger who wishes to purchase is requested to make a true statement of his affairs, and sign it, as evidence against him in case of any doubt of his integrity at a subsequent time.

By the common law, as received in most of the United States, the seller is as much protected as he can well be by any merely civil remedy. For many cases this is sufficient; and in Massachusetts, the harsher remedy of calling in the aid of the government is not always resorted to.

The principles involved in the case of *Thurston v. Blanchard*, may be of interest in other states than Massachusetts. It was an action of *trover* for certain goods, which the plaintiffs alleged were obtained from them by means of false and fraudulent pretences.

The goods were purchased in Boston by the defendant, who resided in Lowell, in March, 1837, and amounted to \$677 77, for which he gave his note, payable in six months. It appeared, that at the time of the purchase, the defendant represented to the plaintiffs that he was worth about \$2,000, and in a month afterwards he failed, and then stated to his creditors, that his whole assets amounted to only \$4,278, and his debts to \$11,400, and he proposed to pay his creditors twenty-five per cent on their debts.

The note, which was given for the goods, was in the possession of plaintiffs at the time of the trial, and they did not offer to give it up before commencing this action. They did, however, offer to give it up at the trial, which offer being declined by the defendant's counsel, it was placed on the files of the court.

The court decided the case in favor of the plaintiffs, and held:

1. That where goods are obtained by means of fraudulent representations, the vendor may at any time rescind the sale as a mere nullity, and may take the goods from any person who has them, except from *bona-fide* purchasers, for a valuable consideration.

2. Where a note is given for goods, as in this case, and it is not negotiable, it need not be returned, for it is null and void if the sale is rescinded; and if the note is negotiable, and it never passes out of the vendor's hands, it need not be returned before action brought.

BILLS AND NOTES.

The case of the *City Bank v. John French*, was an action on a check for \$1,400, drawn by John Thomson, payable to the defendant,

and by him endorsed. It appeared that John Thomson received the money on 'this check at the City Bank, near the close of business on the day of its date; that it was agreed that the check should not be sent in until the following day; that the next day the check was sent to the New England Bank, that being the place where the messenger of the Washington Bank (this institution being at some distance from the other banks) paid their checks, which were received during the day by other banks. The check was not paid, and French was informed of that fact, and requested to pay it. Upon these facts the defendant contended that he was not liable:

1. Because he was discharged by the agreement that the check should not be presented until the next day. But the court expressed themselves clearly of opinion that this did not affect his liability in the least; because, in the first place, the check was presented within a reasonable time, and in the second place, the understanding between Thomson and the plaintiffs, that the check should not be presented until the next day, was not legally binding on the latter. It amounted to nothing more than a request, which they might or might not regard.

2. In regard to the second point of defence, that there had been no sufficient demand and notice to charge the defendant, the court thought, that there was no evidence which showed any such usage as would render the demand and notice in the present case valid. Ordinarily, in order to charge an endorser, a check must be presented at the usual place of business of the bank, a demand made, and notice of that demand and of a refusal given to the endorser. Whether any usage of presenting checks at other places, would be binding on the endorser, the court would not undertake to decide, because there was no sufficient evidence of any such usage here, and unless it could be clearly shown to exist, the defendant would not be liable at all.

GUARANTY, OR LETTERS OF CREDIT.

In 1831, an individual named Menzius Rayner, Jr., of Portland, Maine, came to Boston for the purpose of purchasing books and stationery. He brought with him a letter, of which the following is a copy:

"To whom it may concern. The bearer, Menzius Rayner, jr., son to the subscriber, is, with the advice of several gentlemen, Hon. J. C. Churchill, Gen. Todd, and others, about to establish a store in Portland, of books and stationery, and now goes on to Boston to obtain an assortment of stock for that purpose. He will commence on a limited scale, with the intention of enlarging the business next spring.

"He wishes to purchase school books, &c., upon a credit of four or six months, and miscellaneous books, paper, &c., on commission. For the faithful management of the business, and punctual fulfilment of contracts relating to it, the subscriber will hold himself responsible.

"MENZIUS RAYNER,
"Pastor of the First Universalist Church
in Portland, Maine."

This letter was delivered to B. B. Mussey, a Boston bookseller, who engaged to let young Rayner have books, &c.

The first transaction between them was in October, 1831, and the last in February, 1834. Rayner, Jr., made payments from time to time, and they amounted, in all, to a larger sum than all the articles furnished or sold him within six months from the time of the first purchase.

Mussey being unable to obtain payment of a balance due him, sued the

father on the letter abovementioned, and the questions submitted to the court were :

1. Did the letter make the defendant absolutely liable for the purchases, or was it a mere guaranty ?

The court were of opinion, that the letter was a mere collateral undertaking on the part of the defendant, and that he did not intend to bind himself absolutely and at all events.

2. Was the letter a continuing guaranty ?

The court decided that it was.

3. What was the effect of the letter ?

On this point the court thought that if the plaintiff intended to rely on the defendant as security, he ought to have given him notice of his acceptance of the guaranty in a *reasonable time*. What was a reasonable time would depend on the circumstances of every case ; but the court were clearly of opinion, that the plaintiff, delaying to notify the defendant of his acceptance of the guaranty, from October, 1831, till February, 1834, clearly discharged the defendant from all liability, and by agreement of parties the plaintiff became nonsuit.

USURY.

In an action on a bill of exchange, the ground relied upon in the defence was usury. The bill was drawn by Robert M. N. Smyth, and accepted by the defendant, Thomas Hobart. The amount was \$5,000, and the time six months. At the trial, before Judge Dewey, the defendant proved by one Whitney, that he was the agent of Smyth in negotiating the sale of this bill ; that he sold it to the plaintiff for the sum of \$4,400, it being then agreed between him and the plaintiff, that a discount of \$600 should be made on the amount of the same ; that he received the said \$4,400, and paid the same to Smyth. The case was subsequently argued before the whole court, who held that a usurious transaction in relation to a bill of exchange, between the drawer and the holder, is no defence to an action against the acceptor.

In the recent case of *Palmer Cleveland v. Benjamin Frelen and S. Draper, Jr.*, the Chancellor of New York decided :

1. That if it is a part of an agreement for the loan of money, that the borrower shall take uncurrent bills at a higher rate than their actual value in cash or current funds, the loan is usurious.

2. That where a loan is secured by the transfer of stock, with a stipulation that the lender shall have the privilege of taking a part thereof in full satisfaction of the loan ; the parties at the time of agreement, anticipating a great increase in the value of the stock, the transaction is usurious.

3. That whenever the lender stipulates even for the chance of an advantage beyond the legal interest, the contract is usurious, if he is entitled, by the agreement, to have the money lent, with the interest thereon, repaid to him, at all events.

INSURANCE.

TOTAL LOSS.—The case of *Hall v. Ocean Insurance Company, Boston*, was an action on a policy of insurance for \$2,000 on the brig *Alvara*, valued in the policy (premium included) at \$4,000. The risk was for one year, and it was proved, that within the year, on the passage to the West Indies, sea damage was sustained to considerable extent, which rendered it necessary for her to

go to Bermuda in distress, to be repaired. Two surveys were there had, and the result was, that the captain undertook to sell the brig. And the question was, whether there was a legal necessity for the sale. If there was, the plaintiff should recover for a total loss; but otherwise the defendants should be subject only to a partial loss. According to the plaintiff's estimate founded on the surveys, the amount fell short of one half of the amount insured. But the plaintiff insisted that wages and provisions, after the sale of the cargo on January 12, 1836, until a reasonable time had elapsed for the repairs of the vessel, should be allowed and added to the items of partial loss, to ascertain whether a technical total loss had occurred in the case. With this addition there would have been clearly a technical total loss. After full argument, the Court decided in favor of the defendant, and made the following points, viz: —

1. Making the estimate to ascertain whether the loss amounts to that sum, items, which should be carried to the amount of general average, should not be included.

2. The expenses incurred to ascertain the extent of the loss should not be included in the charges to make up the fifty per cent.

3. Wages and provisions of the officers and crew while the ship is undergoing repairs, are not to be computed as part of the particular average.

4. A fair allowance for the superintendence and for the custody of the vessel, if necessary, while the repairs are going on, should be made, and is to be charged to the account of labor from which one third is to be deducted.

5. The services of the officers and men may be rendered by them as laborers in making the repairs, and their labor is chargeable as if other laborers had been employed.

The case of *Williams and others v. Suffolk Insurance Company*, tried in the United States Circuit Court, in Boston, was an action brought to recover \$2,000 for outfits on board the schooner Breakwater, of Stonington, Connecticut. Judge Story decided in favor of the plaintiffs, and held:

1. That the necessary sale of a vessel, in the course of a voyage, to defray salvage, creates of itself a total loss of the vessel for the voyage.

2. Where the object of the voyage is entirely defeated, and the vessel is obliged to return home, it cannot be treated as a case of a voyage to a port of necessity for repairs, but there is a total loss.

The case of *Cushing Bryant v. Ocean Insurance Company, of Boston*, was an action on a policy of insurance on the brig Hope, of Newcastle, for one year, from January 5, 1837, for \$9,000. The vessel was lost on her first voyage to New Orleans. At the trial, before Chief Justice Shaw, the defence was opened upon two grounds, first, that the vessel was unseaworthy, which was finally abandoned; and second, that the plaintiff, when he applied for the insurance, made certain representations concerning the manner in which she was to be loaded and employed, which had not been complied with, namely, that he was taking in paving stones for ballast, and should fill up with hay for New Orleans. Whereas, in fact, he put on board a cargo of paving stones, and no hay; and the correspondence between the parties was offered as proof.

C. G., and F. C. Loring for the plaintiff, objected to the reception of this evidence, unless it was intended to show that this was a false representation, made fraudulently, for the purpose of inducing the defendants to execute the policy; and they stated many reasons for the objection. And, after the respective counsel had presented their views, the chief justice ruled, that the

evidence was inadmissible, unless it was intended to prove a fraudulent misrepresentation, made for the purpose of procuring the policy. He considered that there was a material and well established distinction between the statement of an expectation, and a collateral fact then existing; and that the former did not constitute a representation, which could be given as evidence to avoid a policy, and that this was substantially nothing more. That the correspondence was mere inducement, or preliminary to the contract, and no part of it; and that the proposed evidence, if admitted, would materially alter and control the written contract finally made; inasmuch, as by its terms it covered the vessel in any lawful voyage she might be engaged in, and with any proper cargo with which she might be loaded; while this testimony, if admitted, would be to admit it to the performance of one particular voyage at that time, and with one particular cargo.

That the intent stated in such representation, though duly made, might be subsequently changed of necessity, or in good faith, consistently with the terms of contract applied for, and that actually made; and if the insurers meant to insure for a particular voyage, or with a particular cargo, it should have been so stipulated in the policy.

After full argument before the whole court, they decided that the ruling of the chief justice at the trial was right, and rendered judgment for the plaintiff.

GENERAL AVERAGE. — In the case last above mentioned, the court also decided:

1. That no loss or expense is to be considered as general average, and so applied in making up a loss, unless, in the first place, it was intended to save and preserve the remaining property; and unless, in the second place, it succeeded in doing so.

2. The expenses and charges of going to a port of necessity to refit, can properly be a general average only when the voyage has been, or might be resumed. But the doctrine does not apply if the voyage has been abandoned from necessity.

An important marine insurance case was decided in the Superior Court in the city of New York, Justice Jones presiding, on the 15th of April last, which occupied the court for three days.

It was an action brought by Brander, Murray, and Gallagher, against the Washington Marine Insurance Company, for an average loss on 2,400 bags of wheat, imported in the bark *Favorite*, from Rotterdam, in the spring of 1837. It appeared in evidence, that the vessel sailed in January, that in February she encountered a gale of eight days' duration, during which she leaked considerably, and the pumps were obliged to be kept going the whole time. She arrived at this port on the 31st of March. On the 4th of April, her hatches were opened, and Mr. Gallagher, one of the plaintiffs, went aboard, obtained samples of the wheat, and, for more than ten days, offered it for sale in the market (which was daily declining) as sound, and was unable to dispose of it. About the 22d of April, two gentlemen, dealers in grain, examined the wheat. One of them went once on board the ship when she was two thirds discharged, saw some damage around the sides of the vessel, and examined some six bags in the centre, the grains of which he found swollen and the smell musty. On this examination he pronounced the cargo all damaged. The other gentleman was twice or thrice on board

the vessel, there made a similar examination, and also, before the cargo was all discharged, went into the store, and examined some fifty bags indiscriminately, and he too pronounced the whole damaged, because of its smell. The wardens were on board the ship three times, and surveyed four hundred bags, which they declared to be damaged by leaks, and one hundred and fifty bags damaged by sweat of the hold; and, afterwards, in the store, certified the whole to be musty and damaged. It seemed to have been admitted on both sides, that the hundred and fifty bags were consigned to Messrs. Boonen, Graves, & Co., who had some fifteen hundred bags of grain on board the same vessel. The clerk of the plaintiffs testified, that he notified the company of the damage, and intended sale; and Mr. A. B. Neilson proved, that the average adjustment was made up accurately, if the data were correct. Amount claimed, with interest, about \$5,400.

For the defence it was contended, that not exceeding four hundred bags of the twenty-four hundred were damaged; and because a part of a cargo was injured by the perils of the sea, the plaintiffs had no right, either in equity or law, to sacrifice the whole at auction, and claim upon the underwriters. That the sound was mixed together, in two large heaps, with the unsound, and in such a manner, that, at the sale, purchasers could neither examine the article, nor see the lots on which they were bidding.

It appeared, on testimony, that Mr. Brander, one of the plaintiffs, called at the office of the assured, on the 27th of April, after the cargo was all discharged, and said that four hundred bags were damaged. By a calculation made in his presence, the loss on that portion would not constitute an average; that next day, Mr. Murray, another of the plaintiffs, called at the office, and said the whole cargo was damaged, and was to be sold on account of the insurers.

To prove the true condition of the wheat, the insurers produced all the purchasers, except two, who did not buy to exceed one hundred bags in all. Five purchasers, chiefly millers, who ground the wheat, bought one thousand four hundred and seventy-two bags; they testified, that it was good and sound, and better in condition than a large portion of the foreign wheat sold at private sale as sound. One testified it was by twenty-six the bushel sounder than wheat which he, within a few weeks afterwards, bought from the very plaintiffs, at private sale, as sound wheat. Two purchasers, whose lots amounted to seven hundred and ninety bags, testified: One, that his lot (one hundred and seventy bags) was not all damaged; some of the bags were stained, how many, he could not tell; but he paid some fifty-eight cents per bushel, and considered it really worth \$1 25. The other, who bought six hundred and twenty bags, saw some of it emptied out, and about one fifth part of that which he saw was swollen, and he considered the whole unmerchantable. A portion of his, however, was shown to have been taken from that part of the store where the really damaged grain was placed. That the balance of the lot, about one hundred and thirty-eight bags, was admitted by the company to be damaged. Much testimony was adduced, on both sides, as to the smell. All the witnesses of the defendants, and several for the plaintiffs, said, that all foreign grain had the ship smell — that no single cargo was free from it — that the grain in question was old grain. And several witnesses testified that it was the custom of the trade to separate the sound bags from the unsound; and in offering the damaged for sale, it was usual to arrange the bags in lots, so that at least one end of each bag could be inspect-

ed. That it was unusual to heap a whole cargo in bulk, sound and unsound, in such a manner that bidders could not see the article, and so sell it.

The judge charged the jury to this effect: — 'That the assured is bound to separate sound merchandise from unsound; and only the damaged is to be sold on account of the underwriter. That such an examination as was bestowed upon the grain in question was not enough, namely, to examine cursorily a few bags here and there, and then pronounce upon the whole; but each package must be examined. That if the wheat was unmerchantable, it did not follow that that was caused by a peril for which the underwriter was liable. That it did not look so bright as new wheat, or that it had a smell, or because it would not make flour to pass New York inspection, it did not follow that the underwriters were liable. They were only responsible for damage arising from the immediate perils of the sea. It was for the jury to decide how much of the damage arose from that cause, and if it amounted to an average, then the plaintiffs were entitled to recover, to that extent, and no more. The chief justice examined the evidence with great clearness and precision, and showed that a large portion of the two thousand four hundred bags were sound; that that opinion was expressed by the miller who examined it closely, ground it into flour, and eat the bread made of that very flour, which was sweet and wholesome.

The jury brought in a verdict for the plaintiffs, of \$2,193, less the premium note, making the real amount of their verdict, \$1,808. Amount claimed, \$5,400.

FIRE INSURANCE. — We give the following case, as it is interesting in several points, and more particularly so in one, as showing that the responsibility of the insurers is not avoided by a dispossession of property by force of law.

Hugh Findlay, to the use of his assignee, A. B. Spence, v. The Franklin Fire Insurance Company of Philadelphia, in the District Court of Pennsylvania, January 10, 1839, before Pettit, president, and a special jury.

This was an action of covenant on a policy of insurance dated January 31st, 1831, for \$8,000, on the stock of merchandise of the plaintiff, in his store, in South Florence, Alabama.

The facts of the case were these: The policy covered a stock of goods, of various descriptions, owned by the plaintiff, a storekeeper in South Florence, and was obtained for a premium of \$80 for one year. In the summer of 1831, the insured became embarrassed in his concerns, and in September, 1831, the sheriff of Franklin county, Alabama, made a levy upon the stock, took possession of the store, closed it, barred and nailed the windows and doors, and advertised a sale to take place on the 29th of September. On the 28th of September the building took fire, and the goods were consumed; the loss was nigh, if not entirely, total. The notice to the plaintiffs, and the preliminary proofs, were sent by mail, and received by them on the 28th of October, 1831. On the 7th of October, the policy was assigned by Findlay to Spence, and suit brought shortly afterwards. The questions of law which arose in the case, were: First, whether the levy of the sheriff so far divested the insured of his interest in the goods as to defeat his right of recovery. Second, whether the levy increased the risk of the insurers so as to vitiate the policy. And thirdly, whether the loss of the insured was to be estimated by either, and which, of the following tests: the cost of the goods at either of the usual markets, Philadelphia, New York, or Nashville, with or without

the actual expense of transportation; or their value, at sheriff's sale, at South Florence, or prospective profits on retail sales of the stock.

The charge of Judge Pettit to the jury enters so fully into the various points raised upon the trial, that we give it *in extenso*.

This is an action of covenant, brought by Hugh Findlay, late of South Florence, Alabama, to the use of A. B. Spence, his assignee, against the Franklin Fire Insurance Company of Philadelphia, on a policy, dated 31st January, 1831, for \$8,000, on "merchandise, such as is usually kept in a country store," in the plaintiff's store, in South Florence. The contract is in the nature of a contract of indemnity, given by the insurers against such loss by fire as may happen to the insured in respect of the goods covered by the policy. The fire occurred on the 28th of September, 1831, and a large quantity of goods in the plaintiff's store were destroyed.

The facts in the case are not complicated and not disputed. A fire took place, without any blame being attributed to, or fault of, the insured. It may be asserted generally, that all the goods were destroyed; a suggestion has been made to the contrary, in the argument, arising from the nature of some of the articles, but the witnesses speak of entire loss, and it seems that no fragments of any value were saved. If there was, or, by diligence of the insured, ought to have been, any salvage of any part of the goods, the jury will make a deduction accordingly.

There is no dispute as to the conduct of the insured at the time of the fire, nor in regard to the preliminary proofs required by the policy. The Insurance Company have, however, made defence upon grounds which present some interesting questions of law. No censure has been imputed to the company for the defence—none ought to be. A fair question of law in regard to the interest of the insured is presented, and a question as to the mode of estimating the loss, if the company be liable at all, is also fairly presented. The difficulty in the way of recovery does not spring out of the conduct of the defendants, but grows out of the misfortunes of the insured.

The main question of law made by the defendants, goes to the whole of the plaintiff's case, and is extracted from the matters given in evidence in the cause. It seems that the insured was much embarrassed in his circumstances at the time of the fire; that there were various judgments against him; and that a few days before the night of the fire, the sheriff of Franklin county made a levy, by virtue of sundry executions in his hands against the plaintiff, upon the identical stock of goods covered by the policy. The sheriff made an inventory, caused the windows of the store to be nailed down, and the shutters closed and secured; the inner doors to the rooms containing the goods were fastened and nailed up, and the outer door closed, locked, and the key taken into the possession of the sheriff: "By which," the sheriff testifies, "the said Hugh Findlay was deprived of all custody and control of, and prevented of all access to, the said goods." The goods were burned on the night before the day fixed for the sale. Upon these facts, the defendants contend, that Mr. Findlay's interest in the goods was divested, and the risk of the defendants ceased from the time of the levy and possession by the sheriff.

This is an interesting question. The plaintiff has thrown out a doubt that the levy and possession of the sheriff were not complete in the point of facts; and if there be such a doubt, it is for the jury to decide, else the question of law cannot arise; but it is to be remarked, that the sheriff is positive in his testimony, and it is without contradiction; he says that he took charge, and deprived the plaintiff of all custody or control of, or access to, the goods.

The question is, to my mind, clearly presented, how far a levy upon, and taking charge of, goods by a sheriff, by virtue of an execution against the insured, affects the right of the insured to recover for a loss by fire, happening after such levy, and before a sheriff's sale? That the sheriff has a special property, for certain purposes, is clear; he may maintain trover or trespass for the goods against a wrong-doer, because he is answerable to the plaintiff in the execution for them. This, however, is not enough to sustain the defendants; it may be conceded, and yet the insured retains certain rights also: he may pay the debt and resume possession. That the right of a defendant in an execution to the goods levied upon, is not entirely divested before actual sale, is manifest from the familiar case of a reversal of the judgment; if reversed before sale, the goods are restored, and he holds as by his original title; if reversed after sale, he obtains restitution of the money, the goods having passed to the sheriff's vendee. Again, if the mere levy divests the whole interest of a defendant, who is insured? — a levy for \$1,000, on goods worth \$10,000, may do manifest injustice. Again, it is conceded all round, that, in case of loss by fire after levy and before sale, the plaintiff's debt is not extinguished nor decreased; nor is the sheriff the sufferer, unless he be in actual default. If, then, the insured is to be held deprived of his goods, and his insurance, and his debt not extinguished, the Insurance Company is the only gainer: the debt remains, the goods are destroyed, and the insurance is lost. The cessation of risk alluded to in the policy may well apply to many cases, such as retiring from business, removing to another store, etc.

Before establishing such a principle, great caution must be exercised. Whether a sheriff, after levy, can insure, or whether execution creditors can insure, are not material questions in this suit. Admitting that they may insure, yet they are not bound to do so. The sheriff loses nothing by omitting to do so, excepting his commissions in case there are no other goods; the execution creditor loses nothing by way of extinguishment of his debt; that remains, and he only suffers in case no other property can be found. But, certainly, neither sheriff nor execution creditor is bound to insure.

On the other hand, it is said, that, if the insurance continues after levy, it ought to be for the creditors. Perhaps it ought, but should not the contract be made so? The creditor, however, does not lose his debt by the fire; the debt continues unaffected; and I know of no mode by which creditors can reach the Insurance Companies, except by making an indebtedness to the party insured, and then using some process of attachment; no mode, however, has been suggested by counsel. As the sheriff cannot avail himself of the policy, nor the creditor, the underwriter must go clear, unless the defendant in the execution has the right to recover. And as he remains liable to his creditor on the judgment, there is little hardship in this; certainly none to the company, as they are made to pay but once; nor to the creditor, if his debtor be put in possession of funds; at least his chance of payment is more improved than if his debtor suffered a total loss of both goods and insurance. If the court in which suit is brought had power to impound the money recovered, and pay it to the execution creditor, all difficulty would be obviated; but the court has no such power, and we cannot escape from the difficulty in that way.

Many other observations might be made, and I have thrown out these to show that the point is a fruitful one, and requires grave consideration. For the present, yielding to the actual inclination of my judgment, (but reserving the point for future mature consideration,) and to enable the jury to decide

on the merits of the cause, I hold that the levy, and subsequent acts of the sheriff, do not present a defence in law in this case.

The second question raised relates to the alleged increase of risk. It is contended by the defendants, that the change of possession, and all the circumstances of the levy, and the conduct of the sheriff, so increased the risk, as to vitiate the policy. The contract must be construed in reference to mutual good faith between the parties to it. If a levy and possession by a sheriff, are not, *per se*, enough to vitiate it, and I have ruled that they are not, the defendants must be presumed to have contemplated such an event as an incident of property; in other words, an underwriter engages to encounter the ordinary incidents to which property is legally liable. On the other hand, the insured is bound in good faith to see that no act of his, or by his procurement, shall involve the property in risks not usually and legally incident to it. If the conduct of the sheriff is so plainly unusual and irregular, as to endanger the property, and increase the risk beyond the ordinary effect of a levy, the underwriter can make it a matter of defence. Here, however, the plaintiff alleges, first, that there was nothing improper in the acts of the sheriff, that every thing was done by him that ought to have been done, and that during the custody of the law the property was really safer from fire than before; and secondly, that the fire was altogether independent of the circumstances of the levy. You will apply the legal principle I have stated to the facts in proof.

If, then, you think that there was not such an increase of risk in fact as to vitiate the policy, the concluding question is presented, as to estimating the loss. The contract is one of indemnity; it is that fully and fairly, and to be so interpreted for both parties; it is no more, it is no less. The language of the policy is, that the insured "shall, within thirty days after certain proofs made, furnish the insured with a like quantity of any or all of the said goods, and of the same quality, or make good the damage or loss by paying therefor." The contract refers to thirty days after proofs furnished; here, to thirty days after the 28th of October, 1831; and it also clearly has reference to the place in which the goods were lost. And, as in this case the company did not furnish the insured with a like stock, the only rule to be observed is, to ascertain what sum of money would, if paid to the insured at Florence, Alabama, within thirty days from the 28th of October, 1831, have been equivalent to the damage or loss sustained; or what sum of money would have enabled him to have purchased a similar stock, and thus reinstated himself.

All notions of prospective profits, to be earned in a year or two, by skill, labor, and time, are excluded and inadmissible; they might have been the subject of insurance, but by a different form of contract. The next evidence furnished by the plaintiff is, the amount of the investing of the plaintiff, and an appraisement made since the fire, predicated on the cost at Philadelphia, with ten per cent. carriage and interest thereon. A third mode of estimating the loss is founded on the testimony of Mr. Lindsay, and insisted on by the plaintiff, namely, a new stock selected at Philadelphia, would sell at Florence for cost, carriage, and 16 $\frac{3}{4}$ per cent. advance on credit, allowing 5 per cent. to cover bad debts. This is what such a stock would bring; but still leaves the question unaffected, — what could the plaintiff buy for? The same, if no market existed at Florence to buy such a stock; then, the market to which resort is usually had may be taken into view by the jury, to enable

them to make an estimate; in this way alone does Nashville, Philadelphia, or any other place than South Florence, become of importance.

The jury will exclude the demand of plaintiff for the \$80 premium; it is what he paid to enable him to hold the defendants liable — the consideration of the contract; and, surely, if he recovers for a loss, that consideration belongs to the defendants.

The question of interest alone remains to be settled. It must be six per cent. and no more; the contract was made here, and the plaintiff must have contemplated our laws at the time, so far as interest was concerned. If the contract had been made in Alabama, another rule might prevail, a higher rate of interest being there allowed.

Verdict for the plaintiff, \$3,685 92.

It was ascertained that the jury took the appraisement at Philadelphia prices, made after the fire by competent persons, on the inventory which had been carefully taken by the sheriff at the time of the levy; and then added interest at six per cent., from the expiration of the thirty days after preliminary proofs were furnished, up to the day of the verdict.

Counsel for the plaintiff—J. P. Owens, H. J. Williams, and William M. Meredith, Esqrs.

Counsel for defendants—T. J. Wharton and J. R. Ingersoll, Esqrs.

TARIFF DUTIES.

In the United States District Court, before Judge Betts—*The United States v. Four Cases Cutlery*, Edward Leon and Theodore Myers, claimants, and defendants, trading under the firm of Edward Leon & Co.

This was one of the many cases of seizure made by the new collector of the port of New York, under the act of 1830, on the ground of undervaluation of invoice.

The amount of the invoice was,	£127 13 9
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The valuation of the custom house appraisers,	191 17 7
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Difference, or supposed undervaluation,	£64 3 10
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Various witnesses were examined, and a variety of opinions expressed, as to the value of the goods. The weight of testimony, however, converged to one point, namely, that on manufactured articles, of which labor constituted the principal value, and this fluctuating in price from ten to fifteen, and sometimes twenty per cent., and the articles, when manufactured, being frequently sold by small dealers at reduced prices to raise money, it was possible that the goods in question might have been bought at invoice prices, and more than probable that they were so.

It is not, therefore, necessary to encumber our pages with a full report of this case, and we give only the conclusion of Judge Betts's charge to the jury:

It is not enough for the government to show that goods are invoiced at a low rate, but they are bound to prove that the invoice is made out *with the intent to defraud*. It remains merely for the jury to decide, 1st, has this invoice been so made out? 2d, have the government shown this either by proof direct or inferential? or, 3d, have the defendants shown that they were invoiced at their fair market value. It is a simple question of fact which they are to decide.

The jury retired, and made up a sealed verdict *instantly* for the defendants.

The following decision is important to dealers in marble, as it establishes the point, that marble cut into blocks for the convenience of transportation, is not considered manufactured marble, and must be admitted free of duty.

The case of *The United States v. William T. Wilson and George F. Darby*, in the District Court of the United States, before Judge Betts, was an action on two custom house bonds, dated 2d September, 1837, given by the defendants for duties to the amount of \$554 68, on forty-five blocks of marble imported here by them, which duties had been imposed by the custom house on the ground that the marble was manufactured marble, whereas it was contended by the defendants that it was unmanufactured, and ought to be admitted free of duty. The bonds were given under protest, and were now put in suit with the view to the obtaining a judicial decision.

By the tariff of 1832, unmanufactured marble is admitted free of duty, but there is a duty imposed on all manufactured marble of 25 per cent.

The case was briefly stated by B. F. Butler, Esq., the District Attorney, and the defendants called two witnesses, one a measurer of, and the other a dealer in, marble, from whose concurrent testimony it appeared, that the marble had been cut into blocks simply for the convenience of transportation, and that so badly and crookedly, as to occasion a waste of the article.

The protest was produced and admitted, and here the case closed, neither of the counsel summing up.

The Court charged the jury, that the only question for their consideration was, as to whether this marble was or was not manufactured. A thing may be considered manufactured if any labor has been put upon it, changing it from the raw material, as with bar iron. When the term manufactured is applied to a commodity, the question then arises, has it been removed from its character of raw material? Another question is, in what sense or acceptation is the term "manufactured" used among dealers in marble? From the evidence of the defendants' witnesses, it does not appear that this is a manufactured article. If this was a manufactured article, it is your duty to render a verdict for the United States. If unmanufactured, then for the defendants.

The Jury, without leaving their seats, found for the defendants.

VALUE OF THE POUND STERLING.

We are indebted to Daniel Lord, Jr., Esq., for the following opinion and decision respecting the value, in this country, of the pound sterling :

In the matter of the reference between Thomas Denny, Francis Griffin, and Thomas C. Doremus, Trustees of the estate of Joseph Brown and Andrew Brown, non-resident debtors, and Thomas Taylor and Thomas Edward Taylor.

In this case the Referees understand from both parties that they are not required to ascertain the amount due from the debtors to their creditors, but to fix the legal standard of value by which a payment due in Pounds Sterling, can be made in the City of New York, so as to discharge the debt. In other words, they are to decide upon the amount of coin which is to be tendered here, to cover the legal value of the pound.

The pound sterling is not a coin in England, but an arbitrary or imaginary sum, the value of which is ascertained by some other standard, and in the country of its adoption that standard is the sovereign, each being of the value of twenty shillings.

In estimating the value of the pound *here*, we reject all fluctuations of ex-

change, and decide that its standard is to be fixed by metallic value exclusively.

The value of the pound in the United States has not always been regulated by one and the same law.

By the act of Congress passed in 1790, its value was fixed, so far as the collection of the revenue was concerned, at four dollars and forty-four cents; and our Courts, upon the authority of that act, adopted the latter sum in liquidating the debts due in sterling money. But by the act of June, 1834, entitled, "an act regulating the value of certain gold coins within the United States," it is provided that the gold coins of Great Britain, of not less than 22 carats fine, shall pass current as money within the United States, and be receivable in all payments by weight at the rate of 94 cents and eight tenths of a cent per pennyweight.

It seems to us, therefore, that when we fix the value of the sovereign, we of course fix the value of the pound sterling; and this value of the sovereign must be ascertained by its weight as fixed by act of Parliament.

That weight is ascertained to be, five dwts., 3 grs. and 5 mi., equal in value to four dollars 85 cents and 8 mills, and this last sum therefore is the true legal value of the pound sterling in the United States.

ISAAC CAROW,
DANIEL LORD, Jr.
J. PRESCOTT HALL.

June 9, 1838.

Foot and Davies of Counsel for trustees; Geo. C. Goddard and Geo. F. Allen for Taylors.

COMMISSION MERCHANTS.

The case of *Isaac Grant and others v. Mark Healy*, decided in the Circuit Court of the United States, in Boston, on the 13th ultimo, was an action brought to recover a balance of accounts. The plaintiffs are merchants at Trieste, in Austria, and the defendant is a merchant of Boston. In December, 1836, the plaintiffs' agent in Boston, Mr. Trueman, advanced to the defendant £4,565 Sterling, by a bill drawn on Baring Brothers & Co.; in consideration of this the defendant agreed to ship and did ship a cargo of sugars consigned to the plaintiffs for sale. The vessel sailed on the voyage, and at the time of her arrival at Trieste, in March, 1837, the market for this kind of sugars (Manilla sugars) was exceedingly depressed in consequence of some changes in the Austrian tariff of duties, and embarrassment of the money market in Europe. The sugars were sold in April, 1837, at a price less than half their invoice value. In consequence of these disastrous sales, the nett proceeds fell far short of the advance money. This suit was brought for the balance.

The defence at the trial was, that the sale was improperly made by the plaintiffs, and that the sugars were sacrificed, in violation of their duty, if not in breach of their orders. The parties agreed that if the jury found for the plaintiffs, the amount should be agreed, or be ascertained by an assessor. The jury found for the plaintiffs, and the parties agreed as to the amount, except as to a single item; and that was, whether the defendant should be charged according to the par of exchange, or the actual rate of exchange between Boston and Trieste at the time of the verdict.

Judge Story said the general doctrine was clear, that wherever a debt is made payable in one country, and it is afterwards sued for in another country,

the creditor is entitled to receive the full sum necessary to replace the money in the country, where it ought to have been paid, with interest for the delay. In the present case, he thought that the advances having been made in Massachusetts, if the goods sent to Trieste did not fully reimburse the amount, the balance was properly due and payable in Massachusetts. Consequently, the plaintiffs were entitled only to the balance due at the par of exchange.

BANK STATISTICS.

ART. IX.—BANK OF FRANCE.

THE following translation of the report of the Governor of the Bank of France, with the remarks thereon, are furnished by a correspondent of the Boston Daily Advertiser. It gives an interesting and satisfactory view of the state and the operations of the Bank of France, of which the public in this country are not fully informed.

Report by the Count D'Argout, Governor of the Bank of France, 31st January, 1839. General operations for the years 1836, 1837, 1838.

	1836.	1837.	1838.
Commercial operations in Paris,	f938,467,900	914,275,700	891,414,400
.. by branches,	13,765,600	25,174,200	83,025,000
.. with the treasury,	20,623,200		
Total,	972,856,700	939,449,900	974,440,300

Gross Gains of the above Operations.

.. Paris,	5,908,100	6,301,500	5,789,500
.. branches,	79,400	124,000	528,600
.. treasury,	88,800		
.. accidental operations,	148,000	127,200	126,400
.. fixed benefits,	2,967,200	2,967,300	2,967,300
	9,191,500	9,520,000	9,411,800

The sums advanced to the public

in different ways amount to	f972,000,000	939,000,000	9,740,000
Dividends on bank shares,	f114	f126	f11

The number of Bills discounted has quadrupled since 1828. In 1828 there were but 192,000, in 1838, 576,000.*

The average value of said bills has decreased one half in the same time, or say from f2,516 to f1,390. The 576,000 bills in 1838, were composed as follows:—

1,000 francs and upwards,	228,000
999 to 200 francs,	280,000
199 francs and under,	68,000

from which it will be seen that 348,000, or 11-19 of the whole, were for less than 1,000 f. each. At the commencement of the year, the bills receivable

* In 1836, there were 406,000, and in 1837, 440,000. The quantity of bills receivable has also quadrupled; in 1828 there were 30,000, in 1838, 122,000.

amounted to 92 millions, and at the moment of this report amount to 192 millions. Augmentation 71 millions.*

The payment of the proceeds of notes on the day on which they are discounted continues to have a beneficial influence, and the public has profited largely of that facility, but the difficulties of its execution are very great. Formerly a discount of 4,000 bills was considered large, and they were credited the following day.†

In 1838, the discount committee decided at one sitting upon 11,500 bills, the nett proceeds of which were held subject to the disposition of those offering them before the closing of the Bank the same day. The collections have been still more laborious. The number of bills collected the last day of one month was 41,000 at 16,000 different addresses or domicils. Formerly when the commercial movement was less, and the average value of the bills was greater, the collections at the end of the month never exceeded 20,000 bills.

In 1837, the Bank collected 599,000 bills, amounting to 802 millions of francs, averaging *f*1337.

In 1838, the Bank collected 680,000 bills, amounting to 948 million of francs, averaging *f*1,393.

The accounts current have somewhat diminished in 1838—that with the Treasury has augmented. At the end of 1836, the Bank owed it 38 millions, 1837, 63 millions, and in September last 170 millions. The amount now due is 165 millions.‡

The maximum of the circulation of Bank bills was 227 millions, and the minimum 195 millions. In 1837, the variation was from 216 to 190 millions.§

The movement general of the "*Caisse*" amounts to 7 milliards 166 mil-

* The average value was 1,868*f.* in 1836, and 1709*f.*, in 1837.

† These payments in 1838, amounted to one half the quantity and sum.

‡ The Bank of England, organized with such perfection, discounted at the time of the crisis in 1836, 4200 bills in one day, which fact was noticed as worthy of attention.

§ The bank has sometimes been reproached for not endeavoring to extend its circulation, (a) and a contrary reproach has often been made to the Bank of England. A fact not before signalized is, that the Bank of France in the vicinity of Paris has as large a circulation as the Bank of England in the vicinity of London, taking into view population and commercial movement. The circulation of the Bank of England, deducting that of its branches, established after the emissions made at London, gives an average for the years 1835, 1836, 1837, of *f*360,000,000.

The circulation of the Bank of France in 1836, 1837, 1838, was on an average *f*210,000,000.

The counties of Surrey and Middlesex contains a population of 1,844,000 souls.

The department of the Seine, 1,106,000 souls.

The proportion made upon this calculation equalizes the circulation within 5 millions of francs, but made upon the following it approaches still nearer:

The movement general of the importations and exportations of England, calculating the latter not after the Custom House tariff, but after the declared real value, in 1835, 1836, and 1837, amount to *f*2,852,000,000.

The average of the same in France, for the same term, is 1,678,000,000.

These two terms applied in comparison to the two circulations, it is found to be equal, or within one million of francs.

It must be remarked, that the use of *paper credit* is much more ancient in England than in France, and enters much more into the *customs* of the population, and also that the Bank of England emits bills of *f*125, whereas that of France none less than 500*f.*

(a) No calculation is here made showing the comparison of circulation, taking the *Capitals* of the two Banks as a basis.

lions of francs, and is less by 486 millions than in 1837—a reduction caused principally in the movement of bank bills.*

Expenses.—The expenses of administration have increased. In 1835, they amounted to 933,000 francs only—in 1838, to 1 million 76,000; 67,900 francs of which for building.

The persons employed have increased 24; and 218 agents of all grades transact the entire operations of the Bank.†

Branches.—In 1837, the Bank had but two branches—Besieres and St. Etienne—it now has four, St. Quentian and Montpellier having been added.

In 1836 the two branches discounted	13,700,000f
1837	25,100,000
1838 the four	83,000,000

The bills receivable have followed the same movement. The circulation has not kept pace with the discounts.

The bills of the branches have been reimbursed by the Bank when presented, but these reimbursements have only amounted to 3,300,000f. The Bank has sent them in specie 33 millions, and the Receveurs-generaux have paid in 17 millions for account of the Treasury.

The effect produced by the branches has been salutary, having facilitated and multiplied the relations with the capital; have contributed to develop local transactions; have rendered them more certain and regular, and had a good influence on the rate of interest in the provinces, and it was in the interest of the country and not that of the Bank they were established. They are no gain to the Bank.‡

With the same view the Bank in Paris has facilitated those of the departments by discounting at the end of the year against *State* stocks a sum of 14 millions 700,000 francs.

In December, 1836, the discounts amounted to	82,078,000f.
.. 1837,	59,235,000
.. 1838,	106,773,000

and never before did the discounts in any one month amount to 100 millions.

Events have proved the solidity of the Bank. Its credit has been consolidated, and it has resisted four great commercial crises, three revolutions, and two invasions.§

The bank operations with the Treasury consists, we believe, simply of an account current, in which the former pays no interest to the latter, but on the

* Comparison of the general movement of the "Caisse" in 1837 and 1838.

	Specie.	Bills.	Transfers.	Total.
1837	675,000,000	4,550,000,000	2,425,000,000	7,652,000,000
1838	720,000,000	3,775,000,000	2,671,000,000	7,166,000,000
Augt.	45,000,000		246,000,000	
Diminution.		775,000,000		486,000,000

† These 218 persons employed are composed of 101 Clerks—paying and writing—117 runners—domestics for bureau and counting houses—printers, porters, guards, and laborers for the mother bank.

‡ The difference between the branches in France, and those of England, are immense in their circulation, and in favor of the latter, though the discounts bear a near proportion. The Montpellier branch after six months activité, equalled in bills receivable the branch at Liverpool, and surpassed those of Manchester and Leeds.

§ The same can be said of but few institutions within the 25 years. Four times England has been desolated with the downfall of her Banks, and at three different times those of America have been terribly shaken, or stopped specie payments; England has not been invaded, and neither country has suffered interior revolution!

contrary, reimburses the Treasury at such points of the country as may be required, charging a small commission for such service. When the Bank is under advance to the Treasury it charges 4 per cent. interest per annum.

The "fixed benefits" of the Bank, consist in interest and dividends accruing from its *reserved* fund.

The Bank was established in 1804, with a capital of 45 millions of francs — 45,000 shares of 1000 francs each — for fifteen years. In 1807 the capital was doubled, and the charter extended to 40 years, or to the 22d Sept. 1843. In 1808 liberty was granted to the bank for creating branches.

The operations consist in discounting paper at three months, with three signatures, or two signatures where stocks are lodged as collateral.

In making advances on "lingots," gold or silver, at an interest of 1-8 per cent. for 45 days. No deposit of over 10,000 francs is received.

Receive in trust national or foreign Stock, and diamonds, charging 1-8 per cent. for 6 months. Silver plate not received.

The Bank of France alone can issue bank bills at sight.

Discounts every day except Sundays and fetes — Rate of interest determined by the "Conseil Generale," which at this time is 4 per cent.

Conseil Generale consists of 15 members.

Conseil d'Escompte consists of 12 members.

Bank Shares worth, 10th February, 2585 francs each.

There are now departmental Banks in Lyons, Marseilles, Bordeaux, Rouen, Havre, and Lafitte's Banking Co. in Paris.*

In 1838, the shares of the Bank of France were held by 4206 individuals; 59,771 shares during that time have not changed hands; 8,129 shares have been transferred, of which 1,928 in consequence of death.

There has been a great movement in the specie composing the reserve fund of the Bank.

At the end of 1837 there were 248 millions; and in June it rose to 298 millions; and in December it descended to 232 millions, against 208 millions in bills circulating at the same time.

Towards the end of the year specie was called for as usual for the payment of the products of the interior; and in addition to this the suspension of specie payments in Belgium caused a demand for that country.

It is worthy of note, that every evening all the accounts at the Bank are made up, the balance of each struck, and handed to the Governor, and a copy is sent to the Minister of Finances.

It will be noticed that bills are collected by the Bank *a domicile*, and that they are not received as in America at the Bank.

PARIS SAVINGS BANK.

THE directors of the Savings Bank of Paris have just published their annual report for 1839, of which the following is the substance:

The total amount invested, on January 1st, 1838, was,

For the departments,	56,578,063f.
For Paris,	50,304,516

Total, 106,882,579f.

* These have no connexion with the Bank of France.

At the close of 1838, the deposits amounted to

For the departments,

83,033,131f.

For Paris,

62,870,779

Total, 145,923,910f.

Thus, during 1838 there was an augmentation of 38,000,000 of francs, of which 26,000,000 fr. were for the departments, and 12,000,000 fr. for the capital.—The difference between investments and reimbursements, which in 1837 was only 477,363 fr. amounted in 1838 to 12,664,202 fr. The difference between the number of new accounts opened, and of those which were closed during 1838, was an increase of 17,312; so that the whole number of accounts open on the 31st December last, was 102,190. At this moment the number is 105,000.

The relative proportion between the population and the number of depositors, appears from the following calculation:

Of 310,000 men 55,000 have accounts, or 11 in 100. Of 320,000 women 56,000 have accounts, or 11 in 100. Of 260,000 children, 9,000 have accounts, or 4 in 100. Totals, 890,000 persons, 100,000 accounts, or 11 in 100. With regard to the professions or employment of the depositors, it appears that the most economical persons are domestic servants and those who have fixed salaries. Out of 68,000 persons, the total number of both sexes in Paris who are domestics or have fixed salaries, 22,000 have accounts in the Savings Bank, being 33 in 100. The total number of smiths, painters, joiners, masons, etc. employed in building, is 30,000, of whom 7,809 have accounts, or 26 in 100. Workmen engaged as cabinet makers, upholsterers, goldsmiths, and similar luxuries, amount to 28,000, of whom 8,600 have accounts, or 31 in 100. Persons employed as tailors, shoe makers, and other trades connected with clothing, amount to 31,000, of whom 7,600 have accounts, or 25 in 100. — Clerks and other persons employed as writers, etc. amount to 20,000, of whom 4,500 have accounts, or 23 in 100. Thus, out of 100,000 workmen of different descriptions in Paris, 28,000 have accounts, or 28 in 100.

SCOTCH BANKS.

The following table, in relation to the celebrated Scotch Banks, may not be without interest to the readers of the Magazine. These banks have been as conspicuous for their usefulness, as they have been for their stability.

Name of Company.		Paid up Capital.	Each.	Div. per Ann.	Paid up.	Price.
Bank of Scotland	Stock	£1,000,000		6 p. c.	100	180
Royal of Scotland	..	2,000,000		5½ p. c.	100	163
British Linen Company	..	500,000		8 p. c.	100	238
Commercial	..	500,000		6 p. c.	100	175
Glasgow Union	..	8,000	250	6 p. c.	50	85
National Union	..	50,000	100	6 p. c.	10	16
Western of Scotland	..	800,000	200	5 p. c.	40	57
Eastern	..				10	11½

MISCELLANEOUS STATISTICS.

DEBTS OF THE SEVERAL STATES.

In May, 1838, after the passage of the General Banking Law, authorizing the Comptroller to issue circulating Bank Notes, on a pledge of the evidences of public debt of the several States, Mr. Flagg sent a circular to the financial officer of each State, soliciting information in regard to the amount of stock created, the rate of interest and when payable, the mode of transferring the stock, whether specific funds were pledged for the payment of interest, and whether the interest in all cases was paid by the State. Full answers were received to these inquiries, except in two or three cases. And the amount of stock actually issued, previous to the time of giving the information, (say June, 1838,) was stated in the Comptroller's annual Report of 1839, page 89, at \$23,703,750 11.

The following tables show the total amount of stock issued, and authorized to be issued, by each of the eighteen States which have resorted to this mode of raising money. Where the returns from the financial officer did not afford all the information which was desired, the State laws have been examined to ascertain the extent of the authorized loans. The operations of many of the States have been so extensive and varied, that it is not an easy matter to get at the precise amount of stock issued and authorized to be issued. It is probable, however, that the aggregate amount of stock authorized by all the States, is even greater than the amount stated in the tables.

Statement of the Amount of Stocks and Bonds issued and authorized to be issued by the several States named below ; giving the Year in which each State commenced issuing Stock, the object for which issued, and the rate of interest.

Name of State.	Year in which issue of stock commenced.	For what object issued.	Amount for each object.	Total.	Rate per cent.
Maine	1830	Ins. Hospitals, Prim. Schools, Bounty on Wheat, and General Expenditures,.....	\$554,976 00	\$554,976 00	5, 51, 6
Massach'ts	1837	Loans to Rail Roads.....	4,200,000 00	4,200,000 00	5
New York	1823	For Canals.....	548,000 00		6
		For Canals.....	11,968,674 41		5
		Loan to Hud. and Del. Canal	800,000 00		5
		Loans to Rail Roads.....	3,787,700 00		4, 5
		To River Navigation.....	10,000 00		5
		General Fund Debt.....	586,532 43		5
		Astor Stock.....	561,500 00	18,262,406 84	5
Pennsylva.	1821	For Canals.....	16,576,527 00		5
		For Rail Roads.....	4,964,484 00		5
		For Turnpikes and Bridges..	2,595,992 00		5
		Miscellaneous.....	3,166,787 00	27,306,790 00	5
Maryland	1824	Medical University.....	30,000 00		5
		Penitentiary.....	97,947 50		5
		Tobacco Inspection.....	78,000 00		5
		For Rail Roads.....	5,500,000 00		5, 6
		For Canals.....	5,700,000 00		5, 6
		Washington Monument.....	10,000 00		5
		Expense of Riots.....	77,933 43	11,492,930 73	5
Virginia	1820	For Canals and River Navig.	3,835,350 00		5, 51, 6
		For Rail Roads.....	2,128,900 00		5, 51, 6
		For Turnpikes.....	354,800 00		5, 51, 6
		For Revolutionary Debt.....	24,039 00		6
		For War Debt of 1814.....	319,000 00	8,662,089 00	7
S. Carolina	1820	Public Improvements.....	1,550,000 00		5, 6
		To Mrs. Randolph.....	10,000 00		6
		Cincinnati & Charleston R.R.	2,000,000 00		5
		To rebuild Charleston.....	2,000,000 00		5
		Revolutionary Debt.....	193,770 12	5,753,770 12	3

Alabama	1823	For Banking.....	7,800,000 00		5
		For Rail Roads.....	3,000,000 00	10,800,000 00	5
Louisiana	1824	For Banking.....	22,950,800 00		5
		For Rail Roads.....	500,000 00		6
		New Orleans Draining Co...	50,000 00		5
		Heirs of Jefferson.....	10,000 00		6
		Charity Hospital.....	125,000 00		5
		State House.....	100,000 00	23,735,000 00	5
Tennessee	1833	For Banking.....	3,000,000 00		5, 6
		For Turnpikes.....	118,166 66		5, 6
		Rail Roads and Turnpikes...	3,730,000 00		5
		Improving Rivers	300,000 00	7,148,166 66	5
Kentucky	1834	For Banking.....	2,000,000 00		5
		Improving Rivers by locks,&c.	2,619,000 00		5
		Turnpike & McAdam Roads.	2,400,000 00		5
		Rail Roads.....	350,000 00	7,369,000 00	5
Ohio	1825	For Canals.....	6,101,000 00	6,101,000 00	6
Indiana	1832	For Banking.....	1,390,000 00		5
		For Canals.....	6,700,000 00		5
		For Rail Roads.....	2,600,000 00		5
		McAdam Turnpike.....	1,150,000 00		5
		River Navigation.....	50,000 00	11,800,000 00	5
Illinois	1831	For Banking.....	3,000,000 00		6
		For Rail Roads.....	7,400,000 00		6
		For Canals.....	500,000 00		6
		For Payment of State Debt..	100,000 00		6
		For River Navigation, &c....	600,000 00	11,600,000 00	6
Missouri	1837	For Banking.....	2,500,000 00	2,500,000 00	5
Mississippi	1831	For Banking.....	7,000,000 00	7,000,000 00	5
Arkansas	1836	For Banking.....	3,000,000 00	3,000,000 00	5
Michigan	1836	Controversy with Ohio.....	100,000 00		
		Internal Improvements.....	5,000,000 00		6
		Loaned to Rail Roads.....	120,000 00		6
		State Penitentiary.....	20,000 00		
		University.....	100,000 00	5,340,000 00	

Whole amount.....\$170,806,179 35

If to the above be added the amount deposited by the United States in the treasuries of the several States for safe keeping,.....28,101,644 97

It makes the aggregate debt of all the States, existing and authorized,.....198,907,824 32

MAINE.—The stock issued by this state is to be redeemed under the direction of the legislature, by the sale of public lands, from the debts due the state, by taxes, or new loans, as may be deemed expedient from time to time. The amount of notes due from individuals to the state, (August, 1838,) is \$326,721. The whole amount of located lands belonging to the state, is 1,400,000 acres, valued at \$1,500,000. The undivided lands belonging to Maine, are estimated at 3,011,000 acres, making the total number of acres 4,411,000. This total includes half of the land north of the St. John's river, in the King of Holland's award. The stock of this state is negotiable and transferable by the holder, and the interest in all cases is payable by the state. The interest on \$235,000 is payable at Boston, annually; and the interest on the residue at the state Treasury, annually and semi-annually; the stock bears interest at 5, 5½, and 6 per cent. The value of the taxable property of the state in 1830, was \$28,807,687 24.

NEW HAMPSHIRE has issued no stock. The expenses of government are defrayed by a direct tax.

VERMONT.—This state has issued no stock.

CONNECTICUT.—This state has issued no stock or bills of credit, since the revolutionary war. "The amount of grand list is \$97,122,697," in 1837

RHODE ISLAND.—This state has issued no stock. Valuation in Jan. 1824, \$32,640,000.

MASSACHUSETTS.—Interest on two millions of stock payable in London by the railroad corporation, in whose favour the stock is created; the interest on the rest is payable at the state Treasury, the several corporations reimbursing the Treasury, for the interest so paid out. The scrip in all cases is made payable to bearer, and no form is

necessary in transferring the same. The real and personal property within the state is \$208,360,407.

NEW YORK.—This state commenced issuing stock in 1817, for the construction of the Erie and Champlain canals. The sum of \$600,000 was issued prior to 1820. The law of 1817 created a board of commissioners of the canal fund, consisting of the state officers, and placed under the management of the board, specific revenues which were pledged for the payment of the money borrowed. There has been derived from the auxiliary funds thus set apart since the first organization of the canal fund, the sum of \$5,824,761; which exceeds by \$276,000, the whole amount paid for interest on all the money borrowed for the Erie and Champlain canals for 21 years, from 1817 to 1838. From 1821 to 1838, these two canals have yielded in tolls \$15,088,375 97. The result is, that the whole of the original debt is provided for, and except about 2½ millions, has been paid off, and the stock cancelled. The laws authorizing money to be borrowed previous to 1825, contained the following provision, viz. — “That it shall not be lawful for the commissioners of the canal fund, to make loans under this act, beyond such amounts as for the payment of the interest thereof, the canal fund, at the time, shall be deemed ample and sufficient.”

In 1825, the financial policy in regard to moneys borrowed, was changed, and loans from that time to the present have been authorized without setting apart specific funds for the payment of interest. In each case, however, the payment of the interest is made a charge on the Treasury; and provision has been made to borrow from the Erie and Champlain canal fund to meet this demand on the Treasury. In 1837, after the suspension of specie payments, this state paid the interest on its whole debt in coin, and redeemed about one million of the stock due in 1837, by paying 109 dollars in New York city paper for each 100 dollars of stock redeemed. For six years, from 1833 to 1838, the revenue from the tolls of the canals, after defraying all expenses of repairs, and paying interest on the whole amount of the outstanding debts, has yielded an average surplus of \$610,000 per annum. This surplus will sustain a debt of 12 millions of dollars.

The stocks issued by the state of New York, are transferable in the city of New York, either by the owner in person or by a power of attorney. The original certificate in all cases to be produced when the transfer is made.

The aggregate valuation of real and personal estate in 1837 was \$627,554,784.

PENNSYLVANIA.—This state pays the interest on its stock at the bank of Pennsylvania, where the stock is transferable. The following revenues are set apart for the payment of interest on the stock loans, viz. canal and rail-road tolls, dividends on turnpike and bridge stock, auction duties, collateral inheritances, county rates and levies, tax on personal property, and escheats. Whenever the revenues arising from the above sources is not sufficient for the payment of the interest on the stock loans, the deficiency is taken out of the Treasury proper. The acts of assembly directing the loans to be made, direct also that the Governor shall borrow on the credit of the commonwealth, and such fund or funds as have been or shall be created, for securing the punctual payment of the interest, and the reimbursement of the principal.

The aggregate valuation of real and personal estate in 1835, was \$294,509,187.

NEW JERSEY has not issued stock of any kind, or loaned her credit to any company.

MARYLAND.—This state in all cases pays the interest on the stock, half yearly and quarterly, but the companies which the state has aided by its loans, reimburse the Treasury for the amount of interest paid from time to time. A sinking fund has been established from premiums and other sources, which now (1838) amounts to \$1,070,306 03 which is applied to the purchase of the state stock.

During the suspension of specie payments, this state did not pay the interest on its stock, either in specie or its equivalent. Some of the holders of the stock refused to receive depreciated bank paper for the dividends, and the treasurer, in Dec. 1837, reported this fact to the legislature, and in March, 1838, an act was passed which provides that the state treasurer shall cause the interest on the state stock that shall hereafter accrue, and that which has accrued since the first of April, 1837, to be paid “either in coin or its equivalent in current bank notes, to be determined by the commissioners of loans by the price of coin in Baltimore on the quarter day.

The private, real, and personal property, other than merchandise, and rights and credits of all sorts, is estimated at over \$100,000,000. No uniform mode of valuing property throughout the state is observed. In most of the counties, the valuations are made under the acts of 1785 and 1797, which require all lands to be put down at \$3 per acre, male slaves at the highest \$100, and females at \$80 each.

VIRGINIA.—The interest on the stock issued by this state, is payable semi-annually at the treasury in gold or silver. The profits of the improvements for which the stock is issued, are pledged for the payment of interest and principal; and if necessary, the general revenues of the commonwealth are pledged for the payment of the interest.

The aggregate valuation of the real property of the state in 1818 was 206,893,978; and now probably three hundred millions. There is no mode of ascertaining the personal property.

SOUTH CAROLINA.—The faith of the state and the capital of the Bank of the state of South Carolina, and the annual dividends thereof, pledged for the payment of \$800,000 issued from 1822 to 1826. And the annual dividends have been formed into a sinking fund for that purpose, and at this time, (Oct. 1838,) amount to upwards of \$800,000, so that the six per cents, redeemable in 1840, will no doubt then be paid. The interest on two millions, to be loaned to the Louisville, Cincinnati, and Charleston rail-road, is payable semi-annually in London. The two millions for rebuilding a part of Charleston, is to be loaned to individuals, and the stock to be reimbursed from the mortgages of individuals. The interest on the state stock is payable semi-annually in London.

Valuation of property, \$200,000,000.

OHIO.—The interest on the stock of this state is payable in New York, where the stock is transferable. Auxiliary funds are set apart for the payment of the interest, and in case of a deficiency therein, it is made the duty of the Auditor of State to levy an adequate amount by direct taxation. The loans were invariably made on pledges of specific revenues for the payment of both principal and interest.

The state of Ohio, at the commencement of its loans, organized a system of finance on a firm foundation, providing by direct taxation for the payment of the interest and the ultimate redemption of the principal. In 1837, after the suspension of specie payments, Ohio paid the interest on its debts in New York city paper, at the rate of 109 dollars, for each \$100 of interest.

Aggregate valuation of real and personal property, \$110,000,000.

KENTUCKY.—This state in all cases pays the interest on her own stocks. Auxiliary funds are set apart for the payment of the interest; but if these funds should prove insufficient, the state is bound to resort to direct taxes. In 1836, the legislature established a sinking fund for the payment of the debt; to which fund is appropriated bonuses and dividends on bank stock, premiums on scrip, state dividends in turnpike stock and all internal improvements, profits of the Commonwealth's bank, proceeds of state stock in the old Bank of Kentucky, and the excess in the Treasury over ten thousand dollars of each year. The Governor, by an act passed in 1838, is authorized to borrow any sum not exceeding the capacity of the sinking fund to pay the interest, and ultimately the principal, of the state bonds, at an interest not exceeding 6 per centum per annum.

Taxation is confined to specific subjects. The aggregate value of such as are chargeable with revenue is \$217,453,041, upon which a tax of ten cents on the 100 is paid.

ILLINOIS.—The state in all cases pays the interest on the stock. In addition to the usual pledge of the faith of the state, lands, revenues, &c. there is specifically pledged for the redemption of the canal bonds, the lands granted by the general government to aid in constructing the canal; the estimate of which is equal to the whole cost of the canal. There is also pledged for the interest and final redemption of the bank bonds, the dividends and the stock owned by the state in the banks, which amounts to nearly half a million of dollars more than the amount of these bonds.

INDIANA.—The canal lands granted to the state by the general government on the Wabash river, are pledged for the payment of the loans made on account of the Wabash canal. The interest on the bonds issued to the State Bank is paid by the bank.

In 1837, after the suspension of specie payments, this state purchased coin to pay the interest on its debt; and for the July quarter paid 111 dollars in New York paper for each \$100 in coin.

Aggregate valuation in 1837, estimated at \$95,000,000.

LOUISIANA.—The interest on the state bonds is paid by the respective banks to which they were originally issued. The interest on other state stocks is paid out of any moneys in the treasury.

The Bank of Louisiana, two millions of stock, the profits retained for redemption of the instalment of 1839, sufficient to cover the amount, \$600,000.

CONSOLIDATION ASSOCIATION.—These bonds are guarantied by mortgages on real productive property, amounting to three millions of dollars. No stockholder can borrow more than 50 per cent. on his stock, and this amount is returned by yearly instalment; to meet the payment of the bonds by the bank. The state for its guarantee is considered as stockholder for one million of dollars, and on the payment of the bonds will divide accordingly with the stockholders. Dividends are only declared as the bonds are paid, and in the same proportion. The profits, until then, are retained as a sinking fund to meet the redemption of the bonds.

The Union Bank has bonds to the amount of seven millions of dollars, and is con-

ducted on similar principles as the above. The original guarantee on mortgages of productive property is eight millions. The state for its guarantee is to receive one sixth of the nett proceeds.

The Citizens' Bank has received bonds to the amount of eight millions of dollars, and can demand four millions more, is conducted on the same principle as above described. The guarantee is on \$14,000,000 of mortgages on real productive property. The state holds one sixth of the nett profits, which are only to be divided as the bonds are paid by the bank, and in the same proportion.

MISSISSIPPI.—This state has issued bonds on the faith of the state to the amount of seven millions of dollars, and has subscribed that amount in the stock of two banks.

MISSOURI has issued bonds to the amount of \$2,500,000 to the State Bank of Missouri.

ARKANSAS has issued three millions of bonds to two banks in that state.

MICHIGAN.—The proceeds of the public works as well as the faith of the state pledged for five millions—the lands set apart for the University pledged for the loan for that object. The loans to rail-roads are secured by pledge of the roads, &c. The interest on \$100,000 issued to defray the expenses of the controversy with Ohio, is to be paid by a direct tax.

NORTH CAROLINA.—This state has set apart a large amount of funds for internal improvements and for the establishment of public schools, which is placed under the direction of two boards, styled the Literary and Internal Improvement boards. These funds, until required to meet specific appropriations by the legislature, are loaned out to individuals and corporations at six per cent. The state of North Carolina owes no debt.

TENNESSEE.—The interest on the state bonds subscribed to the Union Bank, were paid by the dividends on the stock, until the revulsion of 1837, after which the state paid the interest from the ordinary resources of the treasury. The interest on the bonds issued to rail-roads and turnpike companies is paid by the state, and the companies are required to reimburse the Treasury for the sum from time to time paid.

Statement showing the Amount of Stocks issued, and authorized by law to be issued, by the several States named below, in each period of five years, from 1830 to 1835, and from 1835 to 1838.

STATE.	From 1830 to 1835.	From 1825 to 1830.	From 1820 to 1825.	From 1815 to 1820.	Total.
New York.....	*6,872,781	1,624,000	2,204,979	12,229,288	28
Pennsylvania.....	1,680,000	6,300,000	16,130,003	3,166,787	27
Massachusetts.....				4,290,000	4
Maine.....			554,976		
Maryland.....	57,347	576,689	4,210,311	6,648,033	11
Virginia.....	†1,030,000	469,000	686,500	4,132,700	6
South Carolina.....	‡1,250,000	310,000		4,000,000	5
Ohio.....		4,400,000	1,701,000		6
Kentucky.....				7,369,000	7
Illinois.....			600,000	11,000,000	11
Indiana.....			1,890,000	10,000,000	11
Tennessee.....			500,000	6,648,000	7
Alabama.....	100,000		2,800,000	8,500,000	10
Missouri.....				2,500,000	5
Mississippi.....			2,000,000	5,000,000	7
Louisiana.....	1,800,000		7,335,000	14,000,000	23
Arkansas.....				3,000,000	3
Michigan.....				5,340,000	5
	12,790,728	13,679,689	40,012,769	108,423,808	174,337,944

* Of this amount, about four and a half millions has been redeemed.

† Virginia has a war debt of \$343,139 17, contracted previous to 1830.

‡ South Carolina has a revolutionary debt of \$193,770 12.

Summary of the Amount of Stock issued and authorized to be issued for Banking, for Canals, Rail Roads, Turnpikes, and for Miscellaneous objects.

STATES.	For Banking.	For Canals.	For Rail Roads.	For Turnpikes.	Miscellane- ous.	Total.
New York....		13,316,674	3,787,700		1,158,032	11
Pennsylvania.		16,579,527	4,964,484	2,595,992	3,166,767	2
Massachusetts			4,290,000			
Maine					554,976	
Maryland....		5,700,000	5,500,000		292,980	1
Virginia		3,835,350	2,128,900	354,800	343,139	
So. Carolina..		1,550,000	2,000,000		2,203,770	
Ohio.....		6,101,000				
Kentucky....	\$2,000,000	*2,619,000	350,000	2,400,000		
Illinois.....	3,000,000	*900,000	7,400,000		300,000	1
Indiana.....	1,390,000	6,750,000	2,600,000	1,150,000		1
Tennessee....	3,000,000	*300,000	3,730,000	118,166		
Alabama.....	7,800,000		3,000,000			1
Missouri.....	2,500,000					
Mississippi....	7,000,000					
Louisiana....	22,950,000	50,000	500,000		235,000	2
Arkansas.....	3,000,000					
Michigan....		2,500,000	2,620,000		220,000	
	52,640,000	60,201,551	42,871,084	6,618,958	8,474,684	170,806,177

* Whole or part for improvement of River Navigation.

NATIONAL DEBTS.

A Table exhibiting the National Debt of England, and other Countries, with the proportion of such debt which falls on each individual, as furnished by Mr. Coby, in the British House of Commons, on the debate relative to the Corn Laws, March 12, 1839.

COUNTRIES.	Amount of Debt.	Proportion per head.
England.....	£800,000,000	£32 0s 0d
France.....	194,400,000	5 19 7
Russia.....	35,550,000	0 11 9
Austria.....	78,100,000	2 7 6
Prussia.....	29,701,000	2 7 7
Netherlands....	148,500,000	23 5 6
Spain.....	70,000,000	5 0 8
United States....	..	.. ..
Sicily.....	18,974,000	2 11 2
Bavaria.....	11,311,000	2 16 0
Sardinia.....	4,584,000	1 1 2
Turkey.....	3,667,000	0 7 8
Sweden.....	..	.. ..
Portugal.....	5,649,000	1 2 6
Denmark.....	3,799,000	1 18 4
Rome.....	17,142,000	7 9 0
Poland.....	5,740,000	1 3 3
Saxony.....	3,300,000	2 9 1
Hanover.....	2,284,000	1 11 0
Baden.....	1,670,000	1 9 2
Wurtemberg....	2,505,000	1 12 7
Tuscany.....	1,384,000	1 4 11
Hesse (Darmstadt).....	1,184,000	1 3 11
Hesse (Electorate).....	220,000	0 6 1
Switzerland.....	..	.. ..
Norway.....	252,000	0 3 1
East India Company's Territories.....	47,609,000	0 9 0

NAVIGATION.

ATLANTIC STEAM SHIPS. — GREAT WESTERN.

A table of all the passages of the steam ship Great Western, between Bristol and New York, from April, 1838, to July, 1839, showing the time of her departure from, and arrival at, each port, etc., etc., furnished for publication in our Magazine by RICHARD IRVIN, ESQ.

FROM BRISTOL TO NEW YORK.			FROM NEW YORK TO BRISTOL.		
Sailed.	Arrived.	No. Days.	Sailed.	Arrived.	No. Days.
April 8	April 23	14½	May 7	May 22	14½
June 2	June 17	14	June 25	July 8	13
July 21	Aug. 5	14	Aug. 16	Aug. 30	13½
Sept. 8	Sept. 24	15½	Oct. 4	Oct. 16	12
Oct. 27	Nov. 15	18	Nov. 23	Dec. 7	13½
Jan. 28	Feb. 16	18½	Feb. 25	March 12	15
March 23	April 14	21½	April 22	May 7	14½
May 18	May 31	13	June 13	June 26	13
July 6	July 22	15½			

The average of passages from New York to Bristol, 13½ days. The shortest passage was 12½ days; the longest 15 days.

The average of passages from Bristol to New York was 16½ days; the shortest having been 13 days, the longest 21½ days.

The average of all the passages, out and home, was fifteen days. The whole time employed in these fifteen passages, excluding fifty-two days, during which the ship lay up refitting, was twelve months and one day. The whole time spent at sea, in the fifteen passages, was two hundred and twenty-five days. In these two hundred and twenty-five days, the ship must have sailed, in all, about fifty-one thousand miles, giving an average progress of two hundred and twenty-seven miles per day, and about nine and a half miles per hour, out and home, summer and winter.

By one of the passages from New York to Bristol, dispatches by the ship were received in Liverpool and London on the thirteenth day after leaving New York, say on the evening of the seventeenth of October, having left New York on the afternoon of the fourth of that month. By the same, and by one other passage, passengers and dispatches reached Paris, by way of England, on the fifteenth day.

TRANS-ATLANTIC STEAM SHIPS COMPANY'S SHIPS. — ROYAL WILLIAM AND LIVERPOOL.

A table of all the passages of the Trans-Atlantic Steam Ships Company's ships, Royal William and Liverpool, between Liverpool and New York, from July, 1838, to June, 1839, showing the time of their departure from, and arrival at, each port, etc., furnished for publication in our Magazine by ABRAHAM BELL, ESQ.

FROM LIVERPOOL TO NEW YORK.				FROM NEW YORK TO LIVERPOOL.			
	Sailed.	Arrived.	No. days.		Sailed.	Arrived.	No. days.
Royal Wm.,	July 5	July 24	18½	Royal Wm.,	Aug 4	Aug. 19	14½
"	Sept. 20	Oct. 10	20	"	Oct. 20	Nov. 5	15½
Liverpool,	Nov. 6	Nov. 23	16½	Liverpool,	Dec. 6	Dec. 20	14½
Royal Wm.,	Dec. 15	Jan. 6	21½	Royal Wm.,	Jan. 16	Feb. 3	17½
Liverpool,	Feb. 6	Feb. 25	18½	Liverpool,	Mar. 9	Mar. 25	16
"	April 20	May 7	16½	"	May 18	June 1	14½
"	June 13	June 30	16½				
Average Royal William and Liverpool from England, eighteen days.				Average Royal William and Liverpool to England, 15½ days.			

These passages are calculated from dock to dock, and, it will be observed, the Liverpool's passages are mostly made in the winter months, not the best calculated for making short runs. Her four trips to the westward have been made within forty-two hours of the same time. She has, with but one exception, made the southern passage; thereby lengthening her voyage, but avoiding the risk of running upon ice, and obtaining for her passengers mild and fine weather. On her May trip she took twenty-three days later news to England; a few days before her arrival, she spoke a ship from Eu-

rope to New York, out fourteen days; she discharged her cargo in Liverpool, took in another, and, before she again arrived in New York, spoke the same ship, yet on her voyage to the westward.

The Royal William made her last voyage in December and January, thus proving that a boat of her size may safely cross the Atlantic in the depth of winter.

CAPE COD HARBOR.

The attention of ship owners and ship masters has been lately called to Cape Cod Harbor, as of more importance than has been heretofore supposed. The want of a secure shelter for vessels, going from or to Boston and Salem, in time of a severe storm from the east, or north east, has been long felt; and the harbor inside of Race Point, where the village of Provincetown has recently grown up, seems to have been neglected; whether from an ignorance of its advantages or not, we will not undertake to decide. But several persons of good judgment, and of the profession of sailors, have more recently examined it, and considered it quite safe from easterly gales, when an attempt to run into Boston or Salem, would probably prove fatal. The harbor is nearly a league from the extreme end of the cape. But the curve of the cape is so great, that it forms a safe riding place for vessels when they could not remain at sea, nor reach any other harbor in the vicinity. Formerly there was great difficulty in getting ashore without wading, even from a large long boat; because the shore is not very bold — and all will recollect how much the poor pilgrims, who settled at Plymouth in 1620, suffered in getting on shore from their boats, in November of that year, while the Mayflower lay in that harbor. But now there are wharves, and that inconvenience does not exist. The village is now quite large; and people can be well accommodated on shore. There are neither rocks nor ice in the harbor.

An intelligent clergyman gave some account of the harbor forty-five years ago, to the Massachusetts Historical Society; and said, that it was his opinion, as well as of many others, "it was one of the best and safest harbors in the state." He says, it had not been generally considered of the importance it ought to have been; and adds, that proper directions should be given for entering it. This opinion has been confirmed, within a few years, by other intelligent men who have examined it. An officer in the service of the United States, for surveying the coast and harbors of Massachusetts, within a few years, has added his testimony to the same point. A pier of greater extent than any now erected, may be needed, but it is not deemed essential. The most which is required, to experience the benefits of that harbor, is a true, but full description of the bearings and relative situation of a few points in the vicinity, and a conviction of the entire security of the place, against injury in times of easterly storms and gales. It is also stated in a late paper published in the county of Barnstable, that the harbor at Provincetown, or Cape Cod Harbor, is one of the best in Massachusetts; and it is safe, whatever may be the direction of the wind. The earliest writer of the pilgrim band of 1620, says the shape of the land forming the harbor, is like a *hook*.

We think the subject deserves attention, and that extensive publicity of the advantages to result from the use of the harbor, would render good service to navigation. Vessels now coming on the coast from Europe, and aiming for Boston, in the winter season, and in stormy weather, sometimes put away for Holmes' Hole, at the Vineyard, when they might gain the harbor of Cape Cod; where they would be within six hours sail of their port. If they go to the Vineyard, they may have to remain there several weeks, and then have a dangerous passage to make round the whole length of the cape; and coasters, with flour, corn, etc., from southern ports for Boston, especially in the winter months, would find the benefit of making a harbor at Provincetown.

An early writer says, "The curvature of the shore on the west side of Provincetown and south of Race Point, (inside the cape,) forms a cove of about three miles. There is good anchoring ground here, and vessels may ride safely in four or five fathoms of water, especially when the wind is from north, or north-north-east, to south-east. On Race Point there are now several huts, and they are about three miles from the village of Provincetown; most of the way is a mere sand bank, but before reaching the settlement there is a piece of land covered with trees. In most places there is beach grass, which grows about two feet high. About two miles and a half from Race Point, the Humane Society have erected huts for the protection and relief of the shipwrecked mariners at or near this place. At the head of Stout's creek, in Truro, adjoining Provincetown on the south, there is another hut erected by the same society; and this last building is within an hour's walk of Provincetown. Vessels are frequently driven on shore in severe north-east storms, between Stout's creek, or East Harbor, and Race Point. To know of these huts may be important to seamen. Near the East Harbor, or Stout's

COMMERCE OF THE UNITED STATES.

According to the Custom House returns to the Treasury Department, recently published, the total value of imports, during the year ending September 30th, 1838, was \$113,717,404, being twenty-seven millions less than during the year 1837, and seventy-nine millions less than during the year 1836, the year of the great expansion, that preceded the suspension of specie payments.

The falling off in the exports has not been so great. The total value of exports of every description from the United States, during the last year, was \$108,486,616, being nine millions less than in 1837, and twenty millions less than in 1836. The value of the exports of domestic produce in 1838 was \$96,033,816, in 1837, \$95,564,414, and in 1836, \$106,916,680.

Comparing the years 1836 and 1838, we find that the chief falling off in the imports was in the following articles :

	1836.	1837.	1838.
Cotton Goods.....	\$17,876,087	\$10,451,060	\$6,599,330
Woollen Goods.....	12,758,430	4,415,536	6,967,530
Silk Goods.....	22,862,177	3,031,321	9,812,338
Linen.....	8,271,213	4,851,857	3,583,540
Iron and Steel.....	12,892,648	8,361,304	7,418,504
Sugar.....	12,514,718	7,236,401	7,586,825
Teas.....	5,342,811	5,893,202	3,497,156
Wines.....	4,332,034	2,913,794	2,318,202

The export of cotton goods of domestic manufacture in 1838, was \$3,758,755, against \$2,831,473 in 1837, and \$2,257,734 in 1836. The chief exports of domestic cottons in 1838, were to the following countries:

China.....	\$532,097	Argentine Republic.....	\$104,254
British East Indies.....	140,762	Brazil.....	536,416
Dutch East Indies.....	133,350	Mexico.....	597,330
Manilla.....	79,531	Cuba.....	157,621
Peru.....	97,713	Cape de Verd Islands...	66,555
Chili.....	640,831	Turkey, Levant, &c.....	111,937

The following table exhibits the relative importance of our trade during the year 1838, with the following countries:

	Imports from.	Exports to.
Great Britain and dependencies.....	\$49,051,181	\$58,843,392
France and dependencies.....	18,087,149	16,252,413
Spain and dependencies.....	15,971,394	7,684,006
Netherlands and dependencies.....	2,436,166	3,772,206
China.....	4,764,536	1,698,433
Mexico.....	3,500,709	2,164,097
Texas.....	165,178	1,247,880

This table exhibits in a striking light the effect which expansions and contractions of the currency have on the import trade.

One article, molasses, seems not to have been affected by these changes in the currency. The value of that imported in 1836 was \$4,077,312, and in 1838, \$3,865,285.

In the import of another article, viz., coffee, there was, relatively speaking, but a small falling off. The total value in 1836 was \$9,653,053, and in 1838, \$7,640,217.

Salt is the only commodity, or at least the only commodity of any importance, the import of which increased. In 1836 the total value was \$724,527, and in 1838 it was \$1,028,418.

In the exports, the chief falling off was in cotton, tobacco, and rice. In some articles of export there was an increase, as will be seen by inspecting the following table:

	1836.	1837.	1838.
Cotton.....	\$71,284,925	\$63,250,102	\$61,558,811
Tobacco.....	10,058,640	5,795,647	7,392,029
Rice.....	2,548,750	2,309,279	1,721,819
Flour.....	3,572,599	2,987,269	3,603,299
Fish.....	967,890	769,840	819,003
Furs.....	653,662	651,908	636,945
Lumber.....	8,860,691	2,584,746	3,116,196
Manufactures.....	6,107,528	5,948,214	8,397,078

With the same countries, (omitting Texas,) our trade was as follows in 1836:

	<i>Imports from.</i>	<i>Exports to.</i>
Great Britain and dependencies.....	\$86,022,916	\$64,487,550
France and dependencies.....	37,036,235	21,441,200
Spain and dependencies.....	19,345,690	8,081,568
Netherlands and dependencies.....	3,861,514	4,789,157
China.....	7,324,816	1,194,264
Mexico.....	5,615,819	6,041,634

In 1838 our imports from Great Britain were nearly *thirty-seven* millions less than in 1836, and from France *nineteen* millions.

In 1836 the commercial balance was, as exhibited by the custom house books, nearly *twenty-two* millions in favor of Great Britain. In 1838, the balance is near *ten* millions in favor of the United States.

In 1836 the balance in favor of France was nearly *sixteen* millions. In 1838 it was less than two millions.

The following exhibits the total value of the imports and exports of the states which were most deeply engaged in the foreign trade during the year 1838:

	<i>Imports into.</i>	<i>Exports from.</i>
Massachusetts.....	\$13,300,925	\$9,104,862
New York.....	64,453,206	23,008,471
Pennsylvania.....	9,360,731	3,447,151
Maryland.....	5,701,869	4,524,575
Virginia.....	577,142	3,985,228
South Carolina.....	2,318,791	11,042,070
Georgia.....	756,068	8,803,839
Alabama.....	524,548	9,628,244
Louisiana.....	9,496,808	31,502,248

In that ever memorable year, 1836, the foreign trade of these states was as follows:

	<i>Imports into.</i>	<i>Exports from.</i>
Massachusetts.....	\$25,681,462	\$10,380,346
New York.....	118,253,416	28,950,638
Pennsylvania.....	15,068,233	3,971,555
Maryland.....	7,131,867	3,675,475
Virginia.....	1,106,814	6,192,040
South Carolina.....	2,801,261	13,684,376
Georgia.....	573,222	10,722,800
Alabama.....	651,618	11,284,166
Louisiana.....	15,117,649	37,179,828

The following is a table of imports of foreign goods, and exports of those of domestic growth only, during the three years ending October 1, 1838:

	1836.	1837.	1838.
Exports,	\$106,916,680	\$95,564,414	\$96,033,816
Imports,	192,717,404	140,827,404	113,917,361

The various facts here stated, abound in instruction to both the merchant and the statesman.—GLOBE.

A table of the number of millions of pounds of Cotton exported in each year, from 1819 to 1838, and the average price, as published in the Washington Globe.

<i>Year.</i>	<i>Pounds exported.</i>	<i>Price per pound.</i>	<i>Year.</i>	<i>Pounds exported.</i>	<i>Price per pound.</i>
1819	88,000,000	24 cents.	1829	264,000,000	10 cents.
1820	128,000,000	17	1830	298,000,000	10
1821	126,000,000	16	1831	277,000,000	9½
1822	144,000,000	16½	1832	322,000,000	10
1823	173,000,000	11	1833	324,000,000	11
1824	142,000,000	15	1834	384,000,000	13
1825	176,000,000	21	1835	386,000,000	16½
1826	204,000,000	11	1836	423,000,000	16.8
1827	294,000,000	9½	1837	444,000,000	14½
1828	310,000,000	10½	1838	505,000,000	10.3

COMMERCE OF NEW YORK, FROM 1789 TO 1838.

* Ending September 30. In 1838, the Domestic exports were \$16,452,333, and the Foreign, \$5,576,138.

SILVER COIN.

The New York Courier states that the Secretary of the Treasury is corresponding with some distinguished financiers of this city, on the subject of debasing the silver coin, so as to prevent the exportation of it being a profitable business. The secretary is in favor of retaining the silver coin in the country by debasing it to less than its value, as has already been done with the gold coin of the United States.

COMMERCE OF PENNSYLVANIA, FROM 1789 TO 1838.

Years.	EXPORTS.			Imports.	Duties on foreign merchandise imported.	Drawback on foreign merchandise.	Registered tonnage.
	Domestic.	Foreign.	Total.				
1791	....	....	3,436,093	....	1,475,426	8,976	53,898 00
1792	....	....	3,890,602	....	1,138,863	37,753	65,219 00
1793	....	....	6,958,836	....	1,926,337	102,619	60,924 57
1794	....	....	6,643,092	....	2,000,091	502,447	67,895 30
1795	....	....	11,518,260	....	3,053,109	752,510	83,623 92
1796	....	....	17,513,866	....	3,646,271	1,586,065	90,568 94
1797	....	....	11,446,211	....	2,907,894	1,086,839	88,400 72
1798	....	....	8,915,463	....	2,086,714	1,018,127	85,476 49
1799	....	....	12,431,967	....	2,324,313	955,264	90,944 30
1800	....	....	11,949,679	....	3,181,101	1,785,109	95,631 74
1801	....	....	17,438,193	....	3,702,898	1,540,701	109,036 45
1802	....	....	12,677,475	....	2,727,365	1,207,662	61,637 26
1803	4,021,214	3 36	7,525,710	....	2,240,715	561,041	67,629 10
1804	4,178,713	6 14	11,030,157	....	3,507,038	872,238	71,194 67
1805	4,365,240	9 12	13,762,252	....	3,652,387	1,319,869	77,238 52
1806	3,735,313	13 59	17,574,702	....	5,100,657	2,052,551	86,728 35
1807	4,409,616	12 28	16,864,714	....	5,197,806	2,012,543	93,993 16
1808	1,036,527	2 13	4,013,330	....	2,509,673	928,568	94,058 69
1809	4,234,358	4 33	9,049,241	....	2,318,699	894,914	106,121 90
1810	4,731,631	6 31	10,993,308	....	3,332,377	879,527	109,638 57
1811	5,694,447	3 70	9,560,117	....	2,364,635	510,324	78,518 11
1812	4,660,457	1 13	5,973,750	....	2,474,990	378,936	71,241 02
1813	3,249,623	34	3,577,117	....	503,593	185,221	64,526 78
1814	....	....	....	....	877,757	3,827	64,182 64
1815	3,560,551	1 58	4,593,919	....	7,199,039	95,803	77,199 03
1816	4,486,720	2 17	7,196,246	....	6,265,455	746,636	77,730 70
1817	5,538,003	3 30	8,735,592	....	4,307,790	702,819	80,512 71
1818	5,045,901	3 11	8,759,402	....	4,510,360	784,574	58,200 90
1819	2,919,679	3 39	6,203,788	....	3,848,630	570,274	59,626 27
1820	2,948,879	2 70	5,743,549	....	2,703,402	555,703	59,457 68
1821	2,832,357	4 20	7,391,767	8,158,922	2,719,996	474,344	59,296 24
1822	3,575,147	5 35	9,047,802	11,874,170	3,648,715	310,956	61,237 03
1823	3,139,409	6 33	9,617,192	13,696,770	3,991,687	612,037	61,408 73
1824	3,182,694	6 39	9,364,893	11,865,531	4,311,926	919,322	71 18
1825	3,936,133	7 48	11,269,981	15,041,797	5,270,030	998,778	9 54
1826	3,158,711	5,173 011	8,331,722	13,551,779	5,183,724	1,251,405	13 34
1827	3,391,216	4,181,537	7,575,833	11,212,935	4,188,915	1,053,105	39 00
1828	3,116,001	2,935,479	6,051,480	12,884,408	5,082,344	802,474	19 50
1829	2,617,152	1,472,783	4,089,935	10,100,152	3,574,816	708,970	34 94
1830	2,924,458	1,367,341	4,291,799	8,702,122	3,542,977	516,311	79 32
1831	3,504,302	1,919,411	5,513,713	12,121,083	4,372,533	326,607	33 79
1832	2,004,991	1,507,075	3,516,066	10,678,358	3,501,397	402,472	56 32
1833	2,671,300	1,407,651	4,078,951	10,451,250	2,985,278	697,927	49,621 84
1834	2,031,803	1,957,943	3,989,746	10,479,266	2,111,837	295,870	51,441 09
1835	2,416,009	1,323,176	3,739,275	12,389,937	2,506,281	101,812	51,587 81
1836	2,627,651	1,343,904	2,971,555	15,068,233	3,192,007	134,473	51,034 73
1837	2,565,713	1,275,887	3,841,599	11,680,111	....	....	39,156 17

* Ending September 30. In 1838, the Domestic exports were \$2,481,543, and the Foreign, \$293,603.

CURIOUS ARTICLES OF COMMERCE.

To Portugal a large quantity of grain and pulse, (independent of what is sent to pay rents to the non-resident morgados,) salt pork and beef, coarse linen, and cheese, is sent; which is paid for in salt, lime, tea, images, crucifixes, indulgences, dispensations, and relics; the last five articles being publicly sold in the shops at most extortionate prices.

COMMERCE OF NEW ORLEANS.

Statement showing the Value of the Exports from the Port of New Orleans, during the Year 1838.

First Quarter, ending 31st March.....	\$18,615,327
Second do. do. 30th June.....	13,394,990
Third do. do. 30th September.....	5,895,825
Fourth do. do. 31st December.....	7,510,583

Total Exports for the Year.....\$45,416,731

Exported as follows:

In American Vessels to coastwise ports.....	\$14,329,313
Do. do. to foreign ports.....	26,735,918
In foreign vessels to foreign ports.....	4,351,500

\$45,416,731

Of which were:

Foreign Goods in American vessels.....	\$1,042,807
Do. do. in foreign do.	389,316
	\$1,432,121

Amount of Exports of the growth, produce, and manufacture of the United States.....\$43,984,608

Statement showing the Value of Foreign Merchandise entered at the Custom House, New Orleans, during the year 1838.

First Quarter, ending 31st March.....	\$2,951,863
Second do. do. 30th June.....	2,576,553
Third do. do. 30th September.....	1,742,827
Fourth do. do. 31st December.....	3,408,768

Total amount.....\$10,680,011

Statement showing the Amount of Tonnage entered at the Custom House at New Orleans, during the year 1838.

First Quarter	{ Foreign vessels from foreign ports,	16,070 55 tons.
	{ American do. do. do.	34,711 51 ..
	{ Do. do. coastwise,	83,534 81 ..
Second Quarter	{ Foreign vessels from foreign ports,	10,956 53 ..
	{ American do. do. do.	60,525 66 ..
	{ Do. do. coastwise,	54,548 36 ..
Third Quarter	{ Foreign vessels from foreign ports,	4,290 89 ..
	{ American do. do. do.	10,005 79 ..
	{ Do. do. coastwise,	24,353 31 ..
Fourth Quarter	{ Foreign vessels from foreign ports,	13,914 63 ..
	{ American do. do. do.	32,001 36 ..
	{ Do. do. coastwise,	90,815 57 ..
		446,716 11 tons.

Up to 1828, the greatest amount of tonnage which entered in any one year was 57,000 tons!

Statement of Duties on Imports, secured at the port of New Orleans during the year 1838.

First Quarter,	{ In vessels of the United States	\$198,270 40
	{ In equalized foreign vessels.....	60,839 32
	{ In other foreign vessels.....	3,741 96
	{ In sundry vessels in store account.....	9,867 91
Second Quarter	{ In vessels of the United States	\$235,048 03
	{ In equalized foreign vessels.....	143,447 70
	{ In other foreign vessels.....	1,644 43

Third Quarter	{ In vessels of the United States	\$273,746 50
	{ In equalized foreign vessels.....	60,056 47
	{ In other foreign vessels.....	5,734 22
Fourth Quarter	{ In vessels of the United States	\$421,859 35
	{ In equalized foreign vessels.....	107,658 38
	{ In other foreign vessels.....	11,250 28
Total amount for the year.		\$1,533,164 95

A Statement of the Number of Bales of Cotton shipped at New Orleans in each and every year, from 1819 to 1838, both inclusive, being a period of twenty years, with the Countries respectively to which it was shipped.

In the period above-mentioned, it appears that the quantity of that important staple shipped from this port, increased from less than 100,000 bales in 1819, to more than 700,000 bales in 1838. The amount for 1838 was nearly half the whole cotton crop of the United States for that year. The amount shipped in twenty years is upwards of 6,500,000 bales, which, at the moderate estimate of fifty dollars per bale, would be worth more than three hundred and thirty millions of dollars! This is a vast sum to be produced in such a space of time from a single article raised on the banks of the Mississippi and in the adjacent regions. It shows the importance of the commerce of New Orleans.

Year.	London.	Liverpo'l	Cork, &c.	Glasgow	France.	N. Europe.	N. States.	Total Bales.
1819	..	..	..	..	..	..	..	99,013
1820	..	56,045	3,318	4,340	28,440	3,874	16,904	112,961
1821	863	46,836	3,466	1,854	35,858	9,104	35,749	136,770
1822	611	56,354	..	3,914	33,557	10,164	51,430	156,030
1823	144	88,180	5,508	6,853	25,749	5,363	39,594	171,431
1824	399	56,977	614	5,252	35,050	615	46,507	145,423
1825	25	92,301	1,978	7,600	32,834	773	68,795	204,306
1826	..	108,643	5,108	3,162	63,700	..	66,487	251,791
1827	..	178,431	1,270	12,743	60,101	..	67,028	328,855
1828	70	133,196	2,720	6,562	70,130	..	85,835	305,335
1829	1550	119,036	1,443	8,486	81,939	..	41,05	267,792
1830	..	179,824	943	16,413	94,129	..	56,082	352,223
1831	66	203,129	3,803	15,393	60,913	..	135,360	423,971
1832	..	193,838	2,588	6,227	77,122	..	63,934	354,678
1833	336	216,479	656	8,096	82,304	..	92,667	405,566
1834	244	271,364	2,499	13,956	100,225	..	61,825	461,246
1835	45	215,612	1,376	11,667	141,622	..	119,131	531,025
1836	281	228,568	1,287	8,041	131,781	..	94,116	493,673
1837	41	333,690	4,146	17,074	135,187	20,836	85,179	596,153
1838	123	453,645	48	17,796	128,611	22,204	105,085	727,512
	4,798	3,261,229	42,771	175,428	1,422,361	187,360	1,332,796	6,525,758

N. B. — The above comprises an interval of twenty commercial years, each terminating on the 30th of September.

COMMERCE OF BOSTON.

The number of foreign clearances from Boston, from January 1st to June 20th, 1838, was 430. The number of foreign clearances, from January 1st to June 30th, 1839, was 637. Increase of foreign clearances, over the first six months of the last year, 177.

The number of foreign arrivals into Boston, from January 1st to June 30th, 1838, was 471. The number of foreign arrivals, from January 1st to June 30th, 1839, was 614. Increase of foreign arrivals, 143.

Revenue, first quarter, 1838,	\$450,300 59
.. second	465,765 84

\$916,066 43

Revenue, first quarter, 1839,	\$562,915 27
.. second estimated at	900,742 00

\$1,463,657 27

Increase of revenue over the two first quarters of the last year, \$517,590 84.

EXPORTS OF BRITISH PRODUCE AND MANUFACTURES FROM THE UNITED KINGDOM.
An Account of the Exports of the principal Articles of British and Irish Produce and Manufacture, in the year ended the 5th of January, 1839, compared with the Exports in the preceding year, as published in the Liverpool Standard.

ARTICLES.	Declared Value of the Exportations in the year ending the 5th of January.	
	1838.	1839.
Coals and Culm	£431,545	£484,305
Cotton Manufactures	13,640,181	16,700,468
Cotton Yarn.....	6,955,942	7,430,582
Earthenware.....	563,237	670,985
Glass.....	477,767	376,524
Hardware and Cutlery.....	1,460,808	1,507,478
Line Manufactures.....	2,133,744	2,919,719
Linen Yarn.....	479,307	655,699
Metals—viz.: Iron and Steel.....	2,009,259	2,530,903
Copper and Brass.....	1,116,227	1,226,258
Lead.....	155,251	156,150
Tin, in bars, etc.....	74,733	103,230
Tin Plates.....	350,667	434,749
Salt.....	193,621	223,372
Silk Manufactures	503,673	778,031
Sugar, refined.....	453,984	550,506
Wool, sheep's or lamb's.....	185,350	432,067
Woollen Manufactures.....	4,660,019	5,792,156
Woollen Yarn.....	333,098	365,657
Total of the foregoing articles	£36,228,468	£43,338,839

This table shows an increase of upwards of three millions in a single year, in the exports of cotton manufactures, an increase of upwards of one million in the woollen manufactures, and nearly eight hundred thousand in the article of linen manufactures — the three great staple commodities of British exportation. We should think that an increase of upwards of seven millions, in one year's exports, exhibited any thing but an indication of the reverses of the manufacturing interest of our mother country.

MERCANTILE MISCELLANIES.

FRENCH BRANDIES.

The most celebrated of the French brandies, (says Dr. Ure, in his "Dictionary of Arts," &c.) those of Cognac and Armagnac, are slightly rectified to only 0.932: they contain more than half their weight of water, and come over, therefore, highly charged with the fragrant essential oil of the husk of the grape. When, to save expense of carriage, the spirit is rectified to a much higher degree, the dealer, on receiving it at Paris, reduces it to the market proof by the addition of a little highly-flavored weak brandy and water; but he cannot, in this way, produce so finely-flavored a spirit as the weaker product of distillation of Cognac wine. If the best Cognac brandy be carefully distilled at a low heat, and the strong spirit be diluted with water, it will be found to have suffered much in its flavor. Genuine French brandy evinces an acid reaction with litmus paper, owing to a minute portion of vinegar: it contains, besides, some acetic ether, and, when long kept in oak casks, a little astringent matter.

LACE MADE BY CATERPILLARS.

A curious species of manufacture has been contrived by an officer of engineers residing at Munich. It consists of lace and veils, with open patterns in them, wove entirely by caterpillars. The following is the mode of proceeding adopted: Having made a paste of the leaves of the plant on which the species of caterpillar he employs feeds, he spreads it thinly over a stone, or other flat substance of the required size. He then,

with a camel hair pencil dipped in olive oil, draws the patterns he wishes the insects to leave open. This stone is then placed in an inclined position, and a considerable number of caterpillars are placed at the bottom. A peculiar species is chosen, which spins a strong web, and the animals commence at the bottom eating and spinning their way to the top, carefully avoiding every part touched by the oil, but devouring every other part of the paste. The extreme lightness of these veils, combined with some strength, is truly surprising. One of them, measuring $26\frac{1}{2}$ by 17 inches, weighed only a grain and a half, a degree of lightness which will appear more strongly by contrast with other fabrics. One square yard of the substance of which these veils are made weighs $4\frac{1}{2}$ grains, whilst one square yard of silk gauze weighs 137 grains, and one square yard of the finest net weighs $202\frac{1}{2}$ grains.

MACHINERY.

It used to be an erroneous opinion, says the Salem (Mass.) Observer, entertained, that labor saving machinery would prove disadvantageous to human industry, and take employment from the hands of those who had to gain a subsistence by labor. With this belief, operatives used to make violent attacks upon all machinery of this description in England, and destroy when they could. But the effect of it has been far otherwise than was anticipated—greatly increasing the amount of human labor. When the wonderful improvements of Arkwright, in the year 1770, began to be introduced into the machinery for spinning cotton, the annual consumption of cotton in British manufacture was under *four millions* of pounds weight; and that of Christendom was not probably more than *ten millions*. In 1838, the consumption of cotton in England and Ireland was about *two hundred and seventy millions* of pounds; that of Europe and the United States together, *four hundred and eighty millions*!

JEWELLERY.

Scarcely any branch of manufacture has advanced more rapidly and steadily in this country, during the last twenty years, than jewellery. In 1820, it might be said with almost literal truth that nothing of the kind was manufactured in the United States. But now, much the larger part of all the more rich and solid articles are made in this country. There are very good and extensive assortments in the stores, where not a single specimen of foreign jewellery is to be found. Articles of English manufacture are entirely superseded by the superior skill and taste of our workmen; but there are some sorts of work done by the French jewellers which cannot be equalled here.

WOOL.

The wool growers, says the Northampton (Mass.) Courier, are not able to receive the reward for their labors this season.—The price of broadcloths are not sustained, and many manufacturing establishments are contracting their operations, or stopping their machinery. Wool does not sustain the price even it did last year. The shearing season has arrived, and the new clip is coming into the market even before the old one is used up. The wool growing interest is an important one in New England, and we regret to see it depressed from any cause.

COMMERCIAL AFFAIRS.

The advices by the Great Western must be considered as any thing but favorable to the delusive hopes of improvement in the cotton market, and completely destroy the wild idea of a combination made here, and reaching across the Atlantic, having the ability to sustain prices in Europe. The fact is, that natural causes, always at work, are too powerful to be coerced by the short-sighted experiments of financiers and speculators, groping at results, and ignorant of first principles; and, theorize as we may, upon production and consumption, a single error in our fanciful architecture will destroy the unsubstantial fabric. The world has, since the battle of Waterloo, been, generally speaking, in a state of profound peace. Consumption has stimulated production, and the consequence has been, that supply has more than equipoised demand. Speculation has been, in like manner, excited by success, and furthered by an almost wanton tender of facilities; and the result has been, an enormous amount of commercial indebtedness, and the products of industry or art not answering by way of remittances, specie, the lever by which commercial operations are regulated and balanced, has had to be resorted to as the settler of differences. But it appears from the overgrown inflation of the paper system, both here and in England, that this is a chord which, if touched, produces any thing but confidence in the market, and bankers and financiers gather round their vaults, like doctors round a consumptive patient, fearful that every respiration may be the last. The Bank of England has for some time back been only piling error upon error, and in her late operation in raising the rate of interest to $5\frac{1}{2}$ per cent.

she reminds us of the exclamation of the imprisoned starling; while our own operations have not been remarkable for sagacity and financial foresight. We have not room for the remarks which we wish to make on the state of the money market, and must therefore defer a more full examination to a subsequent number; but at present we feel ourselves called upon to say, that prudent merchants will husband their resources, be chary of their means, and extremely cautious in their commitments for some time to come. A revolution in prices, which is going to exercise a most important bearing on the relations of debtor and creditor, is silently going on. All our great staple articles must fall greatly in value, and combinations to raise or support prices are alike wicked and unavailing. We have been maddened, and rendered, as it were, drunken, by years of prosperity; and the excitement of the gambler being over, we have now to suffer under his exhaustion, and to set about extricating our embarrassed affairs. We may safely calculate, that, unless some extraordinary event takes place, such as a war in Europe, for example, we must be satisfied with lower prices for our cotton than we have lately been contending for, and that, while peace continues, there are elements at work sufficient to overthrow the most skilfully laid combinations to support prices, and to bring ruin on the heads of those who attempt them. Nor need we look to England as a customer for our surplus bread stuffs, while we may look for large supplies hereafter from the new states, which we have heretofore been in the habit of feeding; and agricultural products will hereafter rule comparatively low. Manufacturing industry does not appear, in Europe particularly, to yield an adequate return on capital. Commercial enterprise is baffled for objects of profitable investment, and with old accounts to liquidate on new standards of value, with a want of confidence in our currency and in ourselves, deranged exchanges, and the exportation of specie, while there may be nothing seriously discouraging in all this to those who look on things in the mass, and consider the vast tendency of human operations as ultimately working right, and the loss of one man as but the profit of another, it is full of individual admonition.

The money markets in London and New York, the great marts that regulate the trade of two mighty empires, and, through them, of the world, are now so intimately blended and interwoven, that they vibrate responsive to each other, and a pressure on one communicates an electric shock to the other. They are, we were going to say, like the Siamese twins, connected by a band through which it is impossible to affirm or deny that the circulation does or does not flow, essential to existence, and that to destroy one might not be the ruin of the other. Hence we look with anxiety for further advices, sincerely trusting and believing, that the commercial interest, and the Bank, notwithstanding the errors of its direction, will sustain each other, but looking for no material improvement in the value of cotton, and, indeed, grounded in the opinion that the sooner the idle theories and speculations so redundant on the subject are abandoned, and prices reduced to what manufacturers can fairly pay and make a living profit on capital, the sooner will one impediment in the way of a healthful state of things be removed. We intend, in our subsequent articles, to take up this matter at length, and to give, from month to month, remarks on the money market and the state of trade, for which we have made full and adequate arrangements.

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HUNT'S MERCHANTS' MAGAZINE.

No. III.

SEPTEMBER, 1839.

ART. I. — THE RISE AND PROGRESS OF COMMERCE.

IN the present enlightened state of the world, and the powerful influence which Commerce exercises over every thing connected with national politics and human affairs, it is an amusing and instructive pursuit to trace the course of Commerce from its first dawning, as it were, upon the world, to its present brightness and splendor.

In the earlier ages of the world, agriculture and arms were considered the more honorable pursuits, and the ancients deemed Commerce as ignoble. Hence we find Xenophon expressing a doubt whether Commerce could be of any advantage to the state, and Plato excluding it from his imaginary commonwealth; but, as time rolled on, in exact proportion as Commerce was fostered and encouraged — as it acquired strength, and was permitted an unfettered exercise of its powers, and a development of the advantages it afforded — its value was better understood, and its peaceful triumphs the more highly appreciated.

To pursue Commerce profitably, and to any extent, requires the possession of civil and political liberty: the freest countries are always the most strongly commercial, and the most barbarous and enslaved the least. In the former we find an extraordinary degree of intelligence, and a freedom from restraint discernible only in connexion with rational and well defined liberty; for the mind which has been accustomed to freedom of thought and action in commercial pursuits, would spurn the idea of submitting its free impulses to a tyrant's will. Hence we find an interference with the course of Commerce, commencing in illegal exactions, cost Charles the First his kingdom and his head; and a following up of the same blind policy by his successors, in regard to the colonies, ended in establishing the independence of the United States of America, now admitted to be the freest, and the most thoroughly imbued with the commercial spirit, of all the nations of the earth. And, if we take the map of the world, we may trace, step by step, the diminished amount of freedom enjoyed by the several nations according to its Commerce, the gradations fine, but yet clearly perceptible and strongly marked, until, in despotic countries, we realize the presence of arbitrary power by the total ab-

sence of commercial enterprise; for Commerce and tyranny cannot exist together. The ascendancy of the commercial spirit establishes a new era in policy, and we find a new genius diffused into the alliances of nations—the savage barbarity of war tempered, humanized, and subdued, and man meeting his brother man on the wide platform of reciprocity and equal rights. Commercial nations have always been the most distinguished. It was from the opulence derived from Commerce that Carthage so long and so successfully contended with Rome; and, as the principles of Commerce extended over the continent of Europe, the manners became more polished, and according to the extent of their Commerce was their political power and influence amongst the surrounding nations.

Among the earliest and most successful pursuers of Commerce, were the Rhodians, the Egyptians, the Phœnicians, and the Carthaginians.

The Rhodians are justly entitled to the first place as a commercial and maritime power; for, although Eusebius mentions the Cretans, the Lydians, and the Thracians, as maritime states, the first of whom flourished five hundred years, the next two hundred, and the last about eighty years before the Rhodians, yet it does not appear that any of these naval powers had any defined system or code of maritime law for their own guidance, and they certainly never communicated any to mankind. About the year 916 before the christian era, Rhodes obtained the sovereignty of the sea, and maintained her political power and importance unimpaired till the termination almost of the Roman republic. Many adventitious circumstances combined to increase the wealth of Rhodes: among these may be enumerated, the favorable position of the island for the purposes of navigation, in the Mediterranean sea, a few leagues from the continent of lesser Asia; and the richness and fertility of its soil has always been a favorite theme with poets and historians. If we add to these the active and industrious habits of the people, we can easily account for its long maintained superiority—for the richness of its inhabitants—the anxiety with which its alliance was courted, though its general policy was a strict neutrality;—but its very riches, by enervating the people, hastened its decline, and, at the period above mentioned, the wealth and power of Rhodes began visibly to decline.

Next in order come the Egyptians, who are said to have opened a trade between the Arabian Gulf and the Red Sea, and the western coast of the great Indian continent, soon after the establishment of the Egyptian monarchy. The productions of the East were carried by land from the Arabian Gulf to the banks of the Nile, and floated down that river to the Mediterranean. Natural causes, however, were in operation, tending to limit the attention of the Egyptians to Commerce, both in extent and in duration. The necessities and comforts of life were produced in such profusion under the genial influence of their fertile soil and mild climate, that, wanting nothing from foreigners themselves, it became an established maxim with the Egyptians, whose habits of thinking and national institutions differed from those of other nations, to renounce foreign intercourse altogether. Consequently, they remained at home,—holding seafaring persons as impious and profane,—and denied strangers admittance into their harbors, which they fortified; and it was not until the decline of their power, when their veneration for ancient customs had greatly abated, that they withdrew these restraints by opening their ports, and resuming the trade with foreigners.

Exactly the reverse of the Egyptians were the Phœnicians, who, in character and situation, in manners and institutions, had no distinguishing pecu-

liarity. They had no intolerant or unsocial superstition — there was nothing repulsive, or calculated to prevent an unscrupulous intercourse with other nations. They looked to Commerce as the source of opulence and power, for their territory was small and unproductive; and Tyre, of which we read so much in sacred and profane history, was built on an ungrateful and barren soil; but its excellent sea-ports, and favorable position for Commerce, more than counterbalanced the sterility of its soil, and Commerce yielded to the industry of man what nature appeared sternly to have denied; and a short reference to the commerce of the Phœnicians will sufficiently prove to what a height of glory, grandeur, and riches, a nation may attain through the aid and instrumentality of Commerce.

Lebanon and the neighboring mountains furnished the Phœnicians with excellent wood for ship building, and in a short time numerous fleets were ready to farther the spirit of enterprise by pursuing distant or unknown voyages; and their liberal institutions and enlightened spirit encouraging foreign intercourse, drew together an immense influx of strangers, and so rapidly did the population of Tyre increase, that they were soon in a situation to send out colonies, and, among others, the famous one of Carthage, which so long preserved the spirit of its settlers, and proudly vied with Tyre itself in the extent of its commerce, while it greatly surpassed it in dominion.

The report of profane writers of the glory and power of Tyre — the amount of its commerce and navigation — would not be readily credited, were it not that we find that the prophets themselves speak of it with yet greater magnificence of language; and one of the most beautiful passages in the prophecy of Ezekiel is that where a description is given of its power and grandeur, the number of its vessels, the quantity of its merchants and its merchandise; and Isaiah speaks of Tyre as the common city of all nations, and the centre of all commerce, as the queen of cities, where its merchants were princes, and the traders the most illustrious persons of the earth. Such was ancient Tyre, which resisted the arms of Nebuchadnezzar, and stood a siege of thirteen years, during which time it had fortified and prepared a neighboring island, where they established the maritime forces, and to which the merchants removed their merchandise, so that the loss of the capital, when they ultimately surrendered up the barren soil to the conqueror, did not destroy their empire of the sea, or diminish the reputation of their commerce. As Commerce was the only source from which the Phœnicians derived opulence and power, we find that the trade of Tyre and Sidon was more extensive and enterprising than that of any state in the ancient world. The spirit of their laws and the genius of their policy was strictly commercial, and they may be briefly described as a people of merchants, whose object was the empire of the sea, and who acquired and retained it through the medium of Commerce. Their ships frequented all the ports of the Mediterranean, and passed the ancient boundaries of navigation, the straits of Gades, visiting the coasts of Spain and Africa, in many places planting colonies, and communicating some improvement in knowledge and the arts to the rude inhabitants. While extending their commerce on the north and west, the more opulent and fertile regions of the south and east were not neglected: they secured several commodious harbors towards the bottom of the Arabian Gulf. Following the example of the Egyptians, they established a regular intercourse with Arabia and the continent of India on one hand, and with the eastern coast of Africa on the other. Drawing from these resources many

commodities unknown to the rest of the world, and engrossing for a long period, without rival or competition, that most lucrative branch of Commerce.

Under the prosperous reigns of David and Solomon, the Jews were excited by the reports of the great wealth acquired by the Phœnicians in their monopoly of the commerce of the Red Sea, to aim at being admitted to a participation, which they succeeded in obtaining, by conquest and alliance, — the first, of Idumea, which stretches along the Red Sea, and the second, with Hiram, king of Tyre, who furnished Phœnician pilots to the fleets fitted out by Solomon, which sailed from the Red Sea for Tarshish and Ophir, ports probably partly in India and Africa, which they were accustomed to frequent, and from which the Jewish ships returned with such valuable cargoes, as suddenly diffused wealth and splendor throughout the kingdom in such abundance, that, as the Scriptures finely expresses it, "He" (Solomon) "made silver in Jerusalem as stones, and cedar trees as sycamores that grow in the plains." And when we reflect that the return of one voyage only to Ophir produced four hundred and fifty talents of gold, (about two and a half millions of pounds sterling,) we cannot doubt of the immense profits yielded by this commerce. But the peculiar national character of the Jewish people, impressed upon them with a view of separating them from the idolatrous nations with which they were surrounded, conspired to form an unsocial national character, and to prevent that open and liberal intercourse with foreigners which the spirit of Commerce requires; owing to which, and the disasters which befell the kingdom of Israel, the spirit of Commerce spread slowly, and was checked easily. Other reasons might be given, from profane history, for the wonderful success of the Jewish commerce under Solomon, and its early extinction; but we prefer confining our remarks to historical facts, which are abundantly sufficient for our purpose, without travelling beyond the record, or seeking to enlist faith or prejudice in support of our conclusions.

It was the new city of Tyre which so daringly resisted the progress of Alexander the Great in his career of victory, and interrupted the master of one part of Asia, and delayed for a time his successful progress to subjugate the other; and, in punishment of its temerity, was entirely destroyed by the conqueror, its marine and commerce transferred to his new city of Alexandria, which he had founded as the capital of the empire of Asia, of which he then meditated the conquest, and intended consolidating into one gigantic kingdom; but observing the riches and power produced by Commerce, as evidenced in the obstinate resistance offered by Tyre to the progress of his arms, while with one hand he smote the proud and powerful opponent, he was anxious with the other to make Commerce his minister, and his ally in promoting the splendor of Alexandria; but his early death prevented his being a witness of its success.

Commerce has always been opposed to the spirit of conquest and aggression, from the time the first and the second Tyre resisted the arms of Nebuchadnezzar and Alexander, down to the period when Great Britain contended, as it were, single handed and alone, against the French usurper, whose blows were levelled at her commerce, but supported and maintained by which she subsidized the continent of Europe, and eventually, on the field of Waterloo, established the freedom of Commerce, and breathed fresh animation and renewed hope into the fainting form of liberty.

As the second Tyre fell before the arms of the conqueror, Carthage, a Tyrian colony, grew and strengthened by Commerce, and was enabled to

dispute with Rome herself the dominion and empire of the world. Carthage had early rivalled and soon surpassed Tyre in opulence and power, but does not seem to have contended for any share in the commerce of the Red Sea. The enterprise of the Carthaginians was exercised in another direction, chiefly towards the west and north. Passing the straits of Gades, as too circumscribed for their views of discovery, they visited the coasts of Spain and of Gaul, and penetrated at last into Britain. Not satisfied with their acquired knowledge in this quarter of the globe, they turned their inquiries south, made some very considerable progress by land into the interior provinces of Africa, trading with some, and subjecting others to their empire. Proceeding along the western coast of the great continent of Africa almost to the Tropic of Cancer, they planted several colonies with a view to civilization and Commerce. The Fortunate Islands, now known as the Canaries, were discovered by them, and formed the utmost boundary of discovery and navigation in the western ocean.

Rome, the great opponent, and eventually the conqueror of Carthage, was supported by conquest, by robbery, and rapine. Carthage, on the contrary, looked wholly to the peaceful returns of Commerce. While Rome extended her dominion, and formed a hardy and veteran army, Carthage, which Commerce had peopled with seven hundred thousand inhabitants, had to look within herself, and to oppose her raw and undisciplined recruits to the drilled forces of her opponents, and the city was comparatively deserted to furnish soldiers for the army; their fleets, accustomed to the transportation of merchandise, were now loaded with soldiers and warlike stores, and their chiefs and generals, who made Rome tremble, were selected from her wisest and most fortunate traders. The history of the Roman and Carthaginian wars, and their fatal termination as regarded Carthage, is so well known, that we have only to allude to the fact that it required fifty years cruel and doubtful war before Carthage was destroyed, during which, Rome was very nearly visited with that destruction which afterwards overtook her competitor for the mastery of the world.

We have already mentioned the city of Alexandria, to which the commerce and marine of the second Tyre had been transferred by Alexander the Great. The Ptolemies, who after his death got Egypt for their part of the spoil of conquest, took care to encourage and foster the infant trade of Alexandria, and soon brought it to such perfection and extent as to surpass Tyre and Carthage, and it seemed as if Alexandria had gathered to itself the wealth and commerce of the world. To accomplish this, it possessed great natural advantages. On one side a free commerce with Asia and the East by the Red Sea. The same sea and the Nile enabled her to penetrate the vast and rich countries of Ethiopia—the rest of Africa and Europe was open to her by the Mediterranean—and as a facility to the interior commerce of Egypt besides the Nile, and the canals, the almost incredible work of the first Egyptians, the advantages of caravans, so convenient for the safety of merchants and the transportation of merchandise. If to these we add a large and safe port, where foreign vessels arrived from all parts, making Alexandria the depository of all the merchandise of the East and West, and the store house from whence vessels were constantly loaded for Egypt, and for all parts of the known world, we shall have no difficulty in accounting for its rapid growth, with surpassing wealth and power.

It was the immense riches which the commerce of Alexandria spread throughout Egypt, which enabled their kings to support themselves for over

a century against the Roman power, which tried from time to time to bring them under subjection. Historians affirm that the customs on imports and exports on the merchandise which passed through the custom house of Alexandria amounted to two hundred and seventy-four millions of pounds sterling annually, although the imposts which the Ptolemies laid upon the people were generally admitted to have been moderate enough.

Under the Grecian and Roman republics we discover traces of a cultivated Commerce. In several of the states of Greece, particularly Corinth and Athens, Commerce flourished; but Athens was more particularly celebrated for commercial knowledge and extensive trade; emulation was encouraged by the public rewards and honors bestowed upon those who attained to excellence in the useful arts, and its manufactures enjoyed a high reputation. The many laws which the people have left to posterity with regard to imports and exports, and contracts of bargain and sale, the privileges extended to the mercantile interests, the erection of tribunals to determine controversies between merchants and mariners; the attention paid to the market, and the many officers concerned in that department, evince an understanding of the principles of Commerce, and leaves a favorable impression of their judgment and liberality. But notwithstanding all this, and the advantages of a numerous body of seamen, which the produce of their mines enabled them to keep in pay, and the influence which Athens exercised over the other cities of Greece, the trade was not pursued as extensively as one would have anticipated. Athens, and the other maritime states of Greece, possessed little or no Commerce beyond the limits of the Mediterranean sea, and their intercourse was pretty much confined to the colonies planted by themselves in lesser Asia, in Italy, and Sicily. Sometimes they visited the ports of Egypt, the southern provinces of Gaul and of Thrace, or passing through the Hellespont, they traded with the countries around the Euxine sea.

The Roman commerce was even less considerable than that of the Greeks. Previous to the battle of Actium, the Romans had always found in the spoils of the nations they had subjected means of filling the treasury of the republic, and furnishing a sufficiency to carry out the plans of universal monarchy, in which the republic habitually and constantly indulged; and they regarded Commerce no farther than as an instrument of conquest, in enabling them to subsidize valour and perfect discipline; and when the maritime states of the ancient world fell before the prowess of their army, and Carthage, Greece, and Egypt, fell before them, the Romans imbibed not the spirit of the conquered nations, and interfered not with their commerce, satisfied that to Rome, as the capital of the world and the seat of government, all the wealth and productions of the provinces would naturally flow. The amazing extent of the Roman power, which reached over the greatest part of the then known world, the vigilant inspection of the Roman magistrates, and the active and intelligent spirit of the government, gave additional security to and animated Commerce with new vigor. No national union was ever so close, no intercourse so perfect, as that of the parts of this immense empire; one superintending power moved and regulated this mass of human industry, condensed its energies to a single point, employed the produce of its efforts on a single point, unobstructed by the jealousy of rival states, and freed from vexatious restrictions.

But while the Romans so freely tolerated commercial pursuits in others, they did not hold it in respect among themselves; on the contrary, in their manners, their constitution, and their laws, Commerce was treated as a dis-

honorable employment, and the exercise prohibited to persons of birth, rank, or fortune. The only honorable employment was agriculture and arms, and traders and mechanics were deemed incapable of succeeding to any public honors. Commerce — navigation — the mechanic arts — were abandoned to slaves, to freedmen, to provincials, and to citizens of the lowest class.

The resources of conquest and rapine, however great, are soon exhausted; but those of Commerce, when cultivated, are steady, equal, and uniform in their flow; hence Rome, having overrun, exhausted, and impoverished the world, had to look to the commercial provinces for the means of replenishing her exhausted treasury, and the commerce of Egypt, by its riches and its credit, secured the readiest means of supporting the reputation and continuing the domination and empire of Rome.

From the period, therefore, when Augustus reduced Egypt to a Roman province, he carefully endeavored to extend the commerce of Alexandria, and to augment that carried on by the Egyptians in Arabia, the Indies, and the remote parts of the East, by way of the Red Sea; and Alexandria, become Roman, was only inferior to Rome in grandeur and population. The magazines of Rome were filled with merchandise from the capital of Egypt, and very soon Rome and all Italy subsisted on the corn and other provisions brought by the Egyptian fleet. Josephus affirms (but his statement may well be questioned for exaggeration) that Alexandria yielded more riches to the treasury of Rome in one month, than all Egypt in a year; and if Pliny is to be credited, the profits of the commerce of Egypt amounted yearly for Rome to one hundred and twenty-five millions of crowns, which, estimated by Mons. Savary at 54*d.* sterling per French crown, amounts to twenty-eight millions one hundred and twenty-five thousand pounds sterling; while the ordinary expenses of the Roman government we find to have been only one million one hundred and fifty thousand crowns, only one hundredth part of the revenue derived from Egypt.

The great wealth derived from the commerce of Alexandria, made all the other provinces of the empire to flourish; and as it continued to augment, it attracted the attention of the senate to its importance to the prosperity of the empire, and created a determination to sustain it by establishing corporations at Rome for trade and tradings, adopting the laws of the Rhodians for the commerce and navigation of the Mediterranean, (laws which have since formed part of the laws of nations,) and charging the magistracy with their execution, they affording full protection to all engaged in Commerce through the whole extent of the Roman empire. But this forced and unnatural state of things could not endure. Rome had extended herself until she became unable to protect her provinces, and Alexandria in her turn experienced the fate of Tyre and of Carthage. She was founded by arms, and supported by Commerce, which was her beauty and her strength. The Saracens, who seized on Egypt in the reign of Heraclius, by their ferocity drove away the merchants, who love peace and tranquillity; and shorn, like Sampson, of her strength, Alexandria, which then held the first rank after Rome and Constantinople, lost its ancient splendor, and though it subsequently acquired some commercial vigor under the Sultans, and now enjoys some considerable trade, it is no longer to be recognised as that ancient Alexandria, once so renowned as a mart of Commerce, and for so long a time the support and glory of the Roman empire.

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ART. II. — THE ADVANTAGES AND BENEFITS OF COMMERCE.

THE occupation of the merchant is one of the most ancient, as it is one of the most useful of human employments. It devolves on him to collect the surplus products and fabrics of his native land, and exchange them for such foreign articles of comfort or luxury as she may require. In this way he gives substantial encouragement to agriculture and manufactures, which, but for the markets which he supplies, might languish and decline. It devolves upon him, too, in times of public scarcity, resulting from unfavorable seasons and a failure of the home crops, to bring from abroad the means of subsistence and the necessaries of life for a whole people. Commerce, likewise, gives a spring to all arts and trades. Whilst enriching himself, the merchant furnishes employment to a vast number of artisans and laborers, and thus helps to knit society together, and to promote among its members a feeling of mutual interest and good fellowship.

Just consider, for one moment, how many hands are constantly employed merely in that navigation which bears the merchant's orders to the ends of the earth. These orders are usually more punctually executed than the edicts of the most absolute despot. In the remotest lands, thousands stand ready to do his bidding and gratify his wishes. The ocean groans beneath the weight of his argosies, which from the farthest climes bring riches and abundance, and lay them at his feet. The counting room of the merchant may be likened to the cabinet of a powerful monarch, that sets the whole world in motion. He establishes the only practicable and beneficial community of goods. He renders the productions, the fabrics, the discoveries of every nation, accessible to all the rest. He brings the widely scattered inhabitants of our globe into contact, establishes relations and facilitates intercourse among them, and enables each country to enjoy, reciprocally, the peculiar blessings and advantages of every other. "He provides such facilities of intellectual communication between the remotest regions, that not a bright idea can spring up in the brain of a foreign scholar, than it darts like lightning across the Atlantic; not an improvement obtains in the condition of one society, but it is instantly propagated to every other. By this perpetual interchange of thought, and this active diffusion of intellect, the most favorable opportunities are afforded for the dissemination of useful knowledge, and especially for the extension of that most precious of gifts, the Gospel of Jesus." What could our missionaries do without our ships?

Of the connexion that has, from the earliest ages, subsisted between commerce and intellectual improvement, the records of the human race bear ample and constant evidence. The perfection and happiness of our nature arise, in a great degree, from the exercise of our relative and social feelings; and the wider these are extended, the more excellent and accomplished will be the character that is formed. The first step to commercial intercourse is rude and selfish, and consists of little more than an interchange or barter of articles necessary to the accommodation of the parties. But as this intercourse is extended, mutual confidence takes place; habits of acquaintance, and even of esteem and friendship, are formed; till it may, perhaps, without exaggeration, be asserted, that of all the bonds by which society is at this day united, those of mercantile connexion are the most numerous and the most extensive. The direct consequence of this is not only an increase of

wealth to those countries where commerce is carried on to its proper extent, but an improvement in the intellectual character, and a superior degree of civilization, in those by whom its operations are conducted. Accordingly, we find that in every nation where commerce has been cultivated upon great and enlightened principles, a considerable proficiency has been made in liberal studies and pursuits. Without recurring to the splendid examples of antiquity, to Tyre, and Sidon, and Corinth, and Carthage, it may be sufficient to advert to the effect produced by the Free States in Italy, and the Hanse Towns in Germany, in improving the character of the age. Under the influence of commerce, the barren islands of Venice, and the unhealthy swamps of Holland, became not only the seats of opulence and splendor, but the abodes of literature, science, and the arts; and vied with each other, not less in the number and celebrity of their eminent men and distinguished scholars, than in the extent of their mercantile concerns.

Such are the services and benefits of that ancient and honorable vocation, which Gothic prejudices have attempted to brand with opprobrium, even in the bosom of nations that owe their wealth and splendor chiefly to commerce. In the old world generally, and even in England, till very recently, the peaceful merchant was regarded with contempt by the stupid soldier, who had not sense enough to perceive that without the aid of the merchant he could neither clothe nor subsist his army. It was her commerce and manufactures that enabled that country to bear up against the tremendous power of the "man of destiny," and to form those powerful coalitions, and support those vast armies, which she mustered from all parts of continental Europe, to take the field and fight the great battles in which her very existence was involved. It was this "nation of shopkeepers" that humbled his pride, and crushed his power. Is not this useful calling quite as honorable as the inglorious ease in which so many of the nobility and gentry of the old world wear out their unprofitable lives? Is not the merchant as respectable a member of the community as the luxurious planter, the time-serving politician, or the cringing office-seeker? How long will the foolish vanity of men lead them to look down upon those from whom they receive the most important benefits? Shall honor be always awarded exclusively to the destroyers and corrupters of our race? Ought it not to be conferred on those who are employed in supplying the wants and promoting the comfort and welfare of mankind?

This unworthy and foolish prejudice against trade dates back to those times of barbarism and ferocity, when the rising communities of men were as yet unacquainted with the benefits which commerce confers. We are told that in the republics of Greece merchants were ineligible to public office, and were excluded from the cares of state. From similar ignorance the ancient Romans, who were solely occupied with agriculture and war, regarded the occupation of the merchant as disreputable and degrading. But time and necessity gradually disabused their minds of these ridiculous prejudices, till at last the most distinguished persons in the state were not ashamed of exercising a calling which they found so gainful to themselves, and so advantageous to their country.

When the swarms of barbarous nations from the northern hive had overrun the Roman empire, and parcelled it out among themselves, the prejudice against trade revived. Europe was for ages plunged in gross darkness and in perpetual warfare. The profession of arms was the only one that was accounted respectable and manly. The people, hemmed in and kept down

by an insolent soldiery, could have no communication with one another. Commerce, which can never flourish without liberty, was carried on solely by Jews and usurers, who were a continual prey to the exactions of a thousand petty tyrants. Being thus engrossed by men devoid of character and principle, it fell into disrepute. None but such wretches, allured by the expectation of vast profits, would undertake to pursue a calling environed with so many difficulties and dangers. Such, undoubtedly, was the origin of that aversion and contempt with which trade was for a long time regarded by what were called the higher orders in the old monarchies of Europe.

In the mean time, some republics, taking advantage of their liberty, engaged successfully in commerce, and by this means attained a degree of wealth and power that excited the admiration and envy of other nations. Venice, Genoa, Pisa, Holland, showed the rest of Europe the wonderful effects that commerce can produce. Princes then began to encourage it; the Cape of Good Hope was doubled; a new world was discovered; and the unexplored wealth of two hemispheres, the untold treasures of both the Indies, aroused the cupidity of the nations. They all rushed into this new source of aggrandizement, and the indifference with which they had hitherto regarded commercial adventure was changed into a universal enthusiasm, and they were soon found struggling with one another to secure the monopoly of the most lucrative branches of trade. From that time commerce has firmly established itself as one of the most honorable of employments, and one of the principal sources of national opulence and power.

ART. III. — THE COMMERCE OF THE EAST.

Embassy to the Eastern Courts of Cochin China, Siam, and Muscat; in the United States sloop of war Peacock. By EDMUND ROBERTS. New York: 1838. Harper & Brothers.

UNTIL within a very late period, there has not prevailed, among our mercantile community, that degree of information upon the productions, trade, and necessities of Asia, and the western coast of Africa, which our extending commerce with that quarter of the world has imperiously demanded; while, at the same time, our national government has been strangely indifferent to the pursuit of those inquiries, and the effecting of those treaties with Eastern powers, which would stimulate our merchants to renewed energy in this branch of trade, and by increasing the facilities for the accumulation of individual wealth, establish the more firmly the bulwarks of national prosperity. Even at the present day, much remains to be accomplished before American commerce with the East will be placed upon a satisfactory footing; and we feel confident, that attention will be readily and gladly directed to some remarks upon its present situation.

The extent and importance of this commerce may be estimated from the fact, that during a single year, there arrived in two ports of Java, one hundred and one ships, the united tonnage of which amounted to thirty-eight thousand eight hundred and seventy tons; and yet, although to this demand for protection may be added the whale fishery on the Japanese coast, until within a trifling modicum of time, not a single vessel of war afforded the protective influence of the flag of our country, from the west of Africa to the

east of Japan, and our merchantmen trading to Java, Sumatra, and the Philippine Islands, were totally unprotected; we are not prepared to say that, even now, the appearance of vessels of war in that direction is dependant on more than the execution of some particular mission. But government has not of late years been wholly idle.

The afflictive circumstances attending the plunder of the ship *Friendship*, of Salem, Massachusetts, and the barbarous murder of a great part of her crew by the natives of Qualah Battoo, are impressed upon the memories of all, by the signal and salutary vengeance inflicted, by order of the government, by the U. S. ship of war *Potomac*. This transaction inspired the executive to undertake sufficient and decisive measures to obtain an understanding into the why and wherefore of the neglected state of American commerce with certain Eastern princes, and of the difference of duties paid on English and American commerce, in favor of the former; and to endeavor to effect treaties with the courts of Cochin China, Siam, and Muscat, where these disadvantages were most signal—which would place American commerce on a surer basis, and on an equality with that of the most favored nations trading to those regions. This result was of essential importance; for our commerce with Siam and Muscat rested on the most precarious foundation, subject to every species of imposition which could be the consequent of uncertain protection. And, furthermore, pecuniary extortions did not limit the liabilities of the American citizen. His person, in common with that of other foreigners, was subject, by law, to the uncontrolled discretion of his creditors; for the life, as well as the property of a debtor, was forfeit at the court of Siam.

Mr. Edmund Roberts, of Portsmouth, N. H., was deputed by our government, as a special agent to carry into effect these new measures; and we have been indebted to the interesting volume from his pen, published a year or two since, by the Messrs. Harper, for many of our data. While Mr. Roberts has labored to render his work subservient to the interests of commerce, he has not neglected to gratify the curiosity of the general reader; and has agreeably diversified his details of the accomplishment of his special purpose, by highly interesting descriptions of the natural scenery, productions, language, manners, ceremonies, etc., of the nations he visited. His work, thus rendered pleasing to all, is entitled, “Embassy to the Eastern courts of Cochin China, Siam, and Muscat.”

We cannot better fulfil our purpose than in accompanying Mr. Roberts in his progress, and presenting, in a condensed form, his observations, and the success of his mission; combining therewith such information as we have been able to glean from other sources, and such reflections as may seem of advantage.

In October, of the year 1832, the *Peacock* ship of war, bearing Mr. Roberts, anchored in the roadstead of Manilla. The bay of this city is of noble extent, and of a great degree of safety. The city itself, which, by a census taken in 1818, contained a population of upwards of six thousand, exclusive of the military, lies on the south side of the river Pasig. The commerce of the city is carried on at Binondo, St. Cruz, &c.,—towns on the right bank of the river, with which Manilla is connected by a bridge of stone. The Europeans in the island, including the military, do not exceed seven hundred in number, while there are about seven thousand Chinese; the remainder are Indians. The principal articles of export are, indigo, sugar, rice, hemp, or Manilla grass, cotton, cocoa nut oil, sulphur, *bichos de mer*, coffee, wax,

and hides. Of the article *bichos de mer*, a few words of explanation may be desirable. It is a fish, entitled by the English, sea slug, or sea cucumber; *balate*, by the Phillippine Islanders; *bichos de mer*, by the Portuguese. When contracted, it resembles a cucumber, and it is difficult to discover the eyes and mouth. It is prepared in a variety of ways for food, and is very nutritive. No less than eight hundred thousand pounds of this fish were shipped to Canton in 1831 from Manilla. Our attention was first directed to this article of commerce by a highly intelligent and shrewd Irishman, named O'Connell, who had been shipwrecked in the Indian seas, and whose very interesting and instructive adventures were some time since compiled by H. Hastings Weld, Esq., of this city. The work did not obtain that attention which its intrinsic worth demanded. Mr. O'Connell was earnest in his belief, that, from the great estimate placed upon the *bichos de mer* in China, a very lucrative business might be carried on by exporting it from Manilla, or other islands, in American bottoms, to Canton. Mr. Weld gives, if we remember aright, in the work referred to, entitled, "O'Connell's Adventures," a detail of the process of preparing it for market.

A large portion of the rice is exported to Canton by Americans, to save the measurement duty; or to Lintin, when they proceed elsewhere to purchase other than China goods. Occasionally, from scarcity or caprice, the exportation is prohibited by the government. The Manilla hemp is the fibrous bark of a wild banana, and grows abundantly in all the Philippine Islands. The cocoa nut oil is mostly shipped to Singapore, and from thence to England, where it is manufactured into candles. Wheat is raised in abundance, and ship bread, of a very superior quality, is generally sold at from four to five dollars the hundred pounds.

The imports are British, India, and China goods, wines, sheathing copper and nails, iron, and steel, cocoa from Peru, &c. The import duty, in foreign vessels, is fourteen per cent., Spanish; the export duty three per cent., excepting on hemp, which is free. The importations in 1831 amounted to nearly two millions of dollars; the exports for the same period to a million and a half.

The Spanish government permits no foreigners to remain at Manilla, even to this day, as permanent settlers; they are liable to be ordered out of the country by the governor at any moment, and this right is sometimes exercised.

Proceeding with Mr. Roberts, we arrive at Macao, from whence, some eighteen miles, is Lintin, or Lingting, both places of much importance in connexion with the Canton trade. This latter island was scarcely inhabited until 1814, when, in consequence of a dispute between the British and Chinese, the East India Company's ships remained here for some time. Population increasing, supplies of beef and vegetables became plentiful, and American and other ships were induced to make it a place of rendezvous. But the chief impulse was given to Lintin by the prohibition of the importation of opium both at Canton and Macao. The vessels engaged in importing the article repaired to this anchorage, where they found every facility, through Chinese boats, either to smuggle or purchase it. This was the origin of the opium "*go-downs*," as they are technically called, or receiving ships, for this and other articles for the Canton market. In 1832, there were seven or eight ships engaged in this illegal traffic, among which was one American vessel, named the Lingting. The contraband trade in opium has been steadily progressing, in defiance of the Chinese laws, until, as is

well known to the mercantile community, it has resulted in the total stoppage of the foreign trade. Most of the foreigners in Canton, by latest advices, had been imprisoned, and the foreign merchantmen in port captured and detained. The ship *Omega*, which arrived July 31st, and brought this important intelligence, was pursued, and barely escaped. The opium on board the English smuggling vessels had been seized, to the value of half a million of dollars, and the crews were ordered to be hanged.

These circumstances, of so recent a date, invest the opium trade with Canton with an interest which may authorize some more extended remarks upon it, and the objects of the Chinese government in its suppression. It scarcely attracted the attention of merchants previous to the year 1816. The Chinese authorities early adopted measures for its suppression, since it is one of the most destructive narcotics ever known. The stern interference of the government in regard to it has been the more necessary, from the collusion of the Chinese people with the smugglers, being eager to possess and indulge in its use. Its dreadful effects may be constantly observed in the streets of Canton, and a confirmed opium smoker is, of all pitiable objects, apparently the most degraded and worthless. In the terse and vivid description by Mr. Roberts, "when he has once passed the Rubicon, reformation seems to be impossible; the sting of death, which is sin, has seized upon him, his feet are already within the precincts of the grave, and he has sunk, like Lucifer, never to rise again. When the effect has subsided, an emaciated, nerveless wretch is seen, with a cadaverous skin, eyes wildly protruding from their sockets, the step faltering, the voice weak and feeble, and the countenance idiotic; but, while under the influence of the narcotic, the visions of the opium smoker are exquisite, brilliant, heavenly."

An idea of the destructive tendency of this trade may be gathered from a view of the alarming increase of the imports. In the season ending in 1817, three thousand two hundred and ten chests of Patna, Benares, and Maloa opium, containing one hundred and forty pounds each chest, were imported, which sold for the sum of upwards of three millions and a half of dollars. In the season ending in 1833, fifteen thousand six hundred and sixty-two chests, from India, were imported, which sold for nearly fourteen millions of dollars; and the advices by the *Omega* inform us, that, after the summary measures at Canton, opium to the value of twenty millions of dollars had been put on board the ships in the harbor of Macao, and six thousand boxes remained on shore. To this calculation, much is to be added for the importation of Turkey opium, of which no regular account can be obtained, and also for a quantity smuggled by Chinese junks from Singapore. This drug has been vended openly by the foreign merchants, but it is probable that a severe check has now been given to the trade.

Passing to Canton and its commerce, the first curious and well known fact obtrudes itself upon our notice, that the policy of the Chinese government should have confined the commerce of the whole empire to this one port; which fact is of incalculable disadvantage to it, since its most distant provinces participate in the commerce of Canton, and there is in all of them a greater or less demand for foreign productions, which, however, is materially restricted by the difficulties attending their supply, and the conveyance of domestic products across the empire in return. Nor is this policy immaterial to the foreign trader. The comparison between the expense of conveying black teas from Fuh-keen, the province in which they are produced, to Canton, and of their conveyance to the port of Fuh-chou, in Fuh-keen, ex-

hibits, that admission to the latter port would save the East India Company nearly £200,000 annually.

The English did not begin an intercourse with China until about the year 1635. The whole number of English arrivals in 1832 was eighty-seven, and the value of their imports and exports was as follows: imports, twenty-two millions and a half of dollars; exports, eighteen millions and a half. The American trade to China began after the revolutionary war. In 1784 or 5, by the earliest information which can be obtained, two ships were sent, laden, to Canton. In return, they carried to the United States eight hundred and eighty thousand pounds of tea. In the following season, only one vessel was sent: in 1833 the number was fifty-nine. The imports and exports of this latter period were as follows: imports, about eight millions and a half of dollars; and the exports, some ten thousand dollars greater. The whole China trade with all nations, in 1832-3, employed, annually, one hundred and forty first rate vessels, and a large amount of capital. It is a very important branch of modern commerce, yet it has ever existed, and is still carried on, under circumstances peculiar to itself. No commercial treaties secure it, and it is regulated by no stipulated rules; yet it lives, and, in spite of the overthrows which temporarily shackle it, must flourish.

Vessels intending to proceed to Canton, must obtain a permit and a pilot at Macao. So soon as one arrives, before the cargo can be discharged, the consignee is necessitated to obtain a *security merchant*, a *linguist*, and a *comprador*. The former gives security to government for the payment of duties on the ship; the linguist holds the rank of interpreter, transacts all business at the custom house, procures permits, &c.; and the comprador provides stores and provisions for it while in port. The security merchant must be a member of the *co-hong*, a company composed of twelve individuals, and usually called the *hong merchants*. They rank among the most respectable and wealthy inhabitants of Canton, and enjoy the great bulk of the foreign trade.

The *port charges* consist of measurement duty, *cumshaw*, pilotage, linguist and comprador's fees. The measurement duty varies; — on a vessel of three hundred tons, it is about six hundred and fifty dollars; of thirteen hundred tons, three thousand dollars. Tonnage is not, however, an unvarying criterion for measurement duties; but, for all ships, the *cumshaw*, pilotage, and comprador's fees, amount to two thousand five hundred and seventy-three dollars.

The Chinese weigh all articles bought and sold, which are capable of being weighed; as money, wood, liquids, &c. On this account, their dealings are manifestly more simple than those of other nations who buy and sell with more particular reference to the articles themselves. The circulating medium between foreigners and the Chinese is broken Spanish dollars, the value of which is computed by weight. Mexican and United States dollars are not received by the Chinese. Each individual coin receives the mark of the person through whose hands it passes; and, as these marks soon become numerous, it is speedily broken in pieces. But the process of stamping still continues, until, finally, the fragments become so small as to be paid away altogether by weight. The highest weight used in reckoning money is the *tale*, which is about a dollar and thirty-nine hundredths; the next, the *mace*, equal to one tenth of a *tale*; next, the *candareen*, a hundredth of a *tale*; and the least, the *cash*, of which a thousand make a *tale*; this last, however, is the only Chinese coin, and is made of six parts of copper, and

four of lead. The weights, besides those of money, are, first, the *pekul*, equal to one hundred and sixty-two pounds and a fraction, (troy;) the *catty*, the hundredth part of a *pekul*, and the *tale*, the sixteenth part of a *catty*.

We now accompany Mr. Roberts upon his immediate mission. He first visited Cochin-China, coming to anchor in the fine harbor of Vung-lam, about one hundred miles from Hué, the capital. We regret that we are unable to record any successful results of his communication with the government of this kingdom. While disposed, in compliance with the demands of eastern etiquette, to sacrifice personal feeling to a degree, he did not deem it proper or advantageous to compromise the dignity of his country, or jeopardize her honor; and, since insulting formalities were required as preliminaries to a treaty, no alternative was left but that of terminating a protracted correspondence, signalized throughout by the grossest duplicity on the part of the official servants of the emperor. At the same time, he was unable to obtain any accurate information respecting the productions and government of the empire.

Weighing anchor, the Peacock conveyed Mr. Roberts to Siam; he being charged with the first mission ever sent to that kingdom from the United States. The respect and attention which he received were highly gratifying, since they testified to the good feeling entertained towards the country of which he was the representative. It is extraneous to our design to enter upon the consideration of any inquiries and observations not of a commercial character, or we could highly entertain our readers with some very happy and interesting descriptions of the manners, customs, etc., of this singular people. We can only refer the reader to Mr. Roberts' book, by the perusal of which he will not fail to be equally instructed and amused.

Siam is a fertile country, and probably exceeds any other country to the eastward of the Cape of Good Hope, in productions suited for foreign trade. It is no less distinguished for its mineral than its vegetable products. Its exports for the year 1832, amounted to a sum not less than four and a half millions of dollars. It would consume too much room to enumerate all, or the most of the articles, which compose them; the most important are, pepper, sugar, tin, bar-iron, cotton, dried fish, sapan-wood, teak-timber, rose-wood, barks, leather, iron-wood, pitch, wood oil, palm sugar, rattans, cardamom, ivory, skins of various kinds, raw silk, etc. etc. The imports consist of British piece goods, white and printed, with some woollens; India goods; China products in general; powder, arms, cannon, glass ware and crockery, cutlery, arrack, wine, etc. Cotton twist is increasing in demand. The *dresses* should be of *star* patterns, as also *prints*, on bright grounds.

In March, 1833, Mr. Roberts effected a treaty with the government of Siam, removing all obstacles to a lucrative and important branch of our commerce. The merchant may now buy or sell of whom he pleases; whereas, prior to this treaty, the American merchant was compelled to purchase and sell of the king's agent, that functionary claiming the exclusive right so to monopolize the trade. In addition, the American merchant was compelled to submit to extortion of various descriptions — he could not sell for a fair value, nor purchase at fair rates — the duties and port charges were not defined, and were immoderate; and presents were exacted, generally to the amount of a thousand dollars per ship. By the articles of the treaty, these irregularities are removed, making a difference of not less than \$30,000 on a cargo of \$40,000. The king's monopoly is

broken up, the price of sugar is fixed, as are the duties and charges, and presents are no longer required. That an estimate of the commercial importance of Siam may be made, we state, that the population of the capital and Bang-kok, an adjacent city, is four hundred and fifty thousand souls.

We proceed with Mr. Roberts to Muscat; the sole object of his visit to that kingdom being to effect a commercial treaty with his highness the Sultan, and to obtain a reduction of the duties and port charges, so as to place American commerce on a footing with other nations. This was accomplished without delay. Previous to the conclusion of the treaty, American vessels paid generally seven and a half per cent. upon imports, and the same upon exports, with anchorage money and presents; government claiming the right of pre-emption in both cases, as in Siam. By the treaty, the commerce of our country is burdened with but a single charge, viz., *five per cent.* on all merchandise landed; and it is freed from the charge of pilotage.

The Sultan of Muscat is more powerful than any native prince from the Cape of Good Hope to Japan; possessing a more efficient naval force. His possessions in Africa stretch from Cape Delgado to Cape Gardafui; and in Arabia, from Cape Adento to the entrance to the Persian Gulf; and the coast of the Persian Gulf is tributary to him. From his African ports are exported gum-copal, aloes, gum-arabic, colombo-root, and other drugs, ivory, tortoise-shell, hides, beeswax, cocoanut oil, rice, etc. The exports from Muscat are, wheat, dates, horses, raisins, salt, dried fish, and drugs.

We have thus accompanied Mr. Roberts through the objects of his mission, and presented to the reader the results of his investigations so far as they are included in the scope of our intended inquiries. They will be perused with interest, we doubt not, for the information they convey, and the prospects they advance.

ART. IV.—COMMERCE WITH JAPAN.

Notes of the Voyage of the Morrison from Canton to Japan. By C. W. KING. New York: 1839. E. French.

THE monopoly which the Dutch have enjoyed in commerce with Japan for more than two centuries, to the almost entire exclusion of all other European nations, has often arrested the attention and excited the wonder of commercial men, while but few have taken the trouble to ascertain how this important privilege was first obtained, or how it has been secured till the present time. To Mr. King, a member of the highly respectable house of Talbot, Olyphant, & Co., and the accomplished author of the volume before us, the public, and particularly the commercial public, are greatly indebted, for the new light which he has thrown upon an important portion of Eastern Asia, in prosecuting a voyage, mainly dictated by the most honorable feelings of humanity—prompted by a desire to return to their native land several wretched exiles, some of whom had been wrecked near the mouth of the Oregon upon our own coast. Not the least entertaining and important part of Mr. King's work, is the introduction, containing a clear and well digested account of the intercourse, at different periods, of Europeans with the Japanese empire; and before we proceed to detail an account of the voyage,

we call the readers' attention to a synopsis of this part of the book, compiled chiefly from Charlevoix, Kaempfer, Krusenstern, and other writers, to whose works, from their great scarcity, the public cannot easily obtain access.

Accident first brought the Portuguese in contact with the remote empire of Japan. In the year 1542, Fernando Mendez Pinto, taking passage in a junk from China to Loochoo, was driven by a gale to one of the western islands of the Japanese archipelago. In the same year, the celebrated Xavier arrived at Goa, and began in India his apostolical career, and at the same time a commercial intercourse began between the western ports of Japan and Macao. In 1549, Xavier landed with two companions and a Japanese convert at Kagòsima, where, by permission of the prince of Satsumà, he founded a church and preached the gospel, and obtained many followers. Xavier was soon cut off by death, but he had many successors, who had to contend with the constantly fluctuating friendships of the princes and rulers. About the year 1566, the Portuguese traders first pointed out to the prince of Omura, the advantages of the harbor of Nagasaki over the ports they had been used to frequent. "Their suggestions," says Mr. King, "led to the formation of a settlement, which, ere long, became an important city, and which retains an unhappy celebrity down to our own day. It may give some idea of the rapid extension of catholicism at this time, to add, that the successor of Xavier died in 1570, having founded fifty churches, and baptized more than 30,000 converts with his own hands. Yet, mingled with these successes, we have accounts of the apostacy of one of the princes, and the persecutions inflicted by order of another."

In 1582, when Fide Yosi, the famous Taico, began his reign, he found himself under the necessity of favoring the Jesuits, many of his best officers being their friends. It is said that the monarch's refusal to give up his Harem, was at this time the only reason that he was not himself baptized. But Taico was ambitious and unprincipled, and soon came to an open rupture with the missionaries, assigning as one reason for this unfortunate change, the refusal of the ladies of Christian families to share the royal bed. In 1587 he issued his first edict for the banishment of the Catholics; they were required to retire to Firando within twenty days, and to depart from the country within six months, on pain of death.

"The crosses they had erected," says Mr. King, "were ordered to be thrown down, and the churches razed. The Portuguese trade was permitted to go on as before, but the merchants were forbidden to bring any more missionaries, or to speak on religious subjects with the Japanese. A hundred and twenty missionaries left their stations, in submission to this edict, and retired to Firando. An order then came for them all to embark in a ship about to sail for India. This was the *test*. A few obeyed, but the greater number refused to abandon their flocks, and once more scattered themselves through the principalities of Omura, Arima, Bungo, &c."

Under all the persecutions of various princes, the Jesuits retained a strong foothold in Japan, and the Portuguese continued to carry on a profitable commerce till the reign of Yeye Mitson. By his orders, the prison of Desima, off Nagasaki, was constructed, and in 1635 the Portuguese were there confined, and the Dutch taken into partial favor. The patience of the native Catholics became exhausted, and those of Arima and Simábara flew to arms. "Thirty-eight thousand of them," we quote from Mr. King, "fortified themselves in the latter place. The besieging army, eight thousand

strong, could not reduce the fortress; and the Dutch director, Kockebecker, was summoned to its aid. The walls of Simábara were battered by the Dutch cannon, and its brave defenders perished to a man, fighting to the last. Some apology might again be made for this co-operation at the siege of Simábara, had its defenders been the countrymen of Alva, or Requesens, or John of Austria, or Alexander Farnese. But truth requires that the measures of Kockebecker should be regarded as the alternative, which he deliberately preferred to the interruption of the Dutch trade."

Many false charges were preferred against the Portuguese; their ships, when they arrived, were ordered away. On the receipt of this information at Macao, great consternation prevailed, and four distinguished citizens were sent to soften the rigorous proceedings of the government of Japan. They arrived at Nagasaki in 1640, and were immediately put under arrest, and sentenced to death for entering the country in violation of the edict. The following impious inscription was placed on their common grave:—"So long as the sun shall warm the earth, let no Christians be so bold as to come to Japan; and let all know, that the king of Spain himself, or the Christian's God, or the great Saca, if he violate this command, shall pay for it with his head."

Thus ended the valuable commerce of the Portuguese with Japan, which at various times they vainly sought to renew. We now come to the history of the DUTCH INTERCOURSE.

Our preceding remarks have chiefly related, necessarily to a full understanding of the subject, to ecclesiastical matters; the history of the Dutch intercourse is strictly commercial in its details. The first ship belonging to the Dutch that visited Japan, was one of the five vessels that left the Texel, under command of Admiral Mahu, in 1588. Permission was obtained to trade with Japan, but some years passed away before use was made of it. On the arrival of Dutch ships in 1611, a formal edict in favor of their trade was obtained. A decided preference was shown to the Dutch nation by the reception of their envoy; while the Corean and Portuguese ambassadors were turned away. About the year 1627, an embassy from Batavia arrived in Japan, headed by the unfortunate Nuits. Mr. King observes,

"This envoy gave himself out as an accredited minister of the king of Holland, and was received as such; but when the imposition was detected, when his credentials were found to date from Batavia, the royal reply was withheld, and he was sent home. Appointed soon after governor of the Dutch settlements on Formosa, and not having forgotten his unceremonious dismissal, he seized two Japanese junks by way of revenge. After being detained on different pretexts for more than a year, the exasperated crews armed themselves, surrounded the house of Nuits, and made him prisoner, killing his guard. They then demanded their sails and anchors, indemnification for all their expenses, and twenty-five thousand pounds of silk, which they said they had advanced the money for in China, and which was now lost in consequence of their having been so long detained. The garrison, seeing their governor in danger, and fearing to commit a violence which might be revenged on all the Dutch at Firando, complied with these demands. The Japanese were dismissed, and reported all to their government on their return home in 1631. When their story reached the Kubo, he ordered the ships of the Dutch Company, nine in number, to be seized, and the trade to be stopped. No explanation was given, and all the efforts of the director to obtain any, or to adjust the difficulty, were in vain. The utmost influence of

the director could only effect that their merchandise in Firando, amounting to a million of crowns, should be sold, and the proceeds retained.

"The Dutch relations remained in this anomalous situation three years. The non-arrival of vessels, and indirect reports, alarmed the authorities at Batavia, and a private vessel was sent to ascertain the true state of affairs. This vessel was permitted to discharge and receive a cargo, with which she returned to Batavia; but her voyage threw no light on the cause of these strange events. Meanwhile Nuits had been recalled to Batavia from Formosa, and kept under arrest. The impression became general that his detention of the Japanese junks was the outrage now so severely visited on the Dutch. In vain the poor man begged that he might be tried for his offence, and, if justice required, be put to death. It was determined to sacrifice him as a sin-offering to the offended Kubo, and in 1636 he was sent prisoner to Japan. On his landing, he was given up to the authorities as the author of the outrage at Formosa, and the mercy of the government besought on his behalf. The expiation was now made, the trade was re-opened, but Nuits was still held in suspense. An embassy came with rich presents the following year, the emperor was again entreated in favor of the humbled prisoner, and he was then released and permitted to return home. There are few instances in history of a more perfect execution of the *lex talionis*, — of a more humiliating recoil of private revenge."

"The Dutch were now left in sole possession of the trade with Japan, and since that time, it is well known, their monopoly has never been disturbed. Their subsequent political intercourse has been limited to an occasional mission from Batavia, and the visits of the Dutch chief of the factory to Yeddo, formerly made annually, but now once in four years. Charlevoix mentions embassies in 1644, 1656, and 1659. It was while the second of these missions was at Yeddo, that two thirds of that city, and one hundred thousand of its population, were destroyed by fire. It remains to trace briefly the use the Dutch have made of the monopoly to which they had so long aspired.

"Of the assortment and value of their import cargoes, in the 17th century, we have little or no account. Their returns had been in silver chiefly, until 1641, when the directors of the company suggested returns in gold. Japanese copper was at this time in little estimation in Europe, because little known; but afterward, on a rise in value, it became an important return. The first order, for twenty thousand piculs, was sent out in 1655."

As early as 1671, the drain of their gold, silver, and copper, began to excite the fears of the Japanese; the export of silver was prohibited, but copper and gold still remained free. The amount of the latter exported by the Dutch in one year was one hundred thousand kobangs, and yielded a profit of one million florins. The government becoming more and more interested in the drain of their metals, at last laid heavy restrictions upon their commerce, and limited the value both of exports and imports. In 1700, the limitation already laid upon the imports was extended to the ships of the company, which were restricted to four per year; and as a further trial of patience, the export of copper was limited, in 1714, to fifteen thousand piculs, and the number of annual vessels to two or three, according to the quantity of copper in store. "Under these circumstances," says our author, "the trade, which had yielded an annual profit of five or six hundred thousand florins for the thirty years previous, would no longer pay the charges."

Relative to the reductions of the currency, Mr. King makes the following remarks:

“ The successive reductions of the currency, and restrictions on metallic exports, were regarded by the Dutch as aimed entirely at them. But on this point we agree with Sir T. S. Raffles, that the Japanese government probably had higher aims. In fact, it seems clear that the enormous export of gold and silver coin was felt as a great evil in a country where paper money was not known. This drain is variously estimated at from thirty to sixty million pounds sterling, in the sixty years when the export was free. Now, if the influx of specie from the American mines in the sixteenth century, at the rate of six million pounds per annum, speedily reduced the value of gold and silver in Europe to one third what it was before, how probable it is that the circulating medium of a country so small as Japan would be seriously diminished by so great a drain. In fact, with the views which the Japan ministers possessed, we can only wonder that the export was permitted so long. The subject is not one beyond the range of Asiatics. A comparatively trifling export of silver, resulting from the opium trade, is at this moment engaging the cabinet of Peking, and has elicited very able memorials from Chinese statesmen within the last twelve months. The love of gold and silver, and the reluctance to part with them, are no doubt indigenous every where, even in China and Japan. The restrictions on the export of copper seem to have arisen from similar fears of exhausting the mines. Many years later, we find a pretended friend of the Dutch counselling that so much only should be exported annually as the country would for ever afford; ‘because trade is the basis of the friendship of the Hollanders, and copper is the support of the trade.’ ”

In 1811, when Holland fell under the French occupation, Great Britain took possession of the Javan Islands, and the Dutch residents at Nagasaki were more than three years without communication with Europe.

It is not to be supposed that the Dutch monopolists will permit any tempting disclosures to be made relative to their profits; but, from their own mismanagement, they have probably not been great at any period since 1740.

It is hardly necessary to give a detailed account of the frequent attempts made by England to open a commercial intercourse with Japan; it will be sufficient to mention the last effort, which terminated in a failure.

In June, 1819, Captain Gordon touched at the bay of Yeddo, on his way to Ochotsk, in a small brig; he forwarded to Yeddo, through some government officers, a request to trade. The petition was rejected, and thirty junks sent to tow the brig out of the bay.

In 1803, the Russians, desirous of opening an intercourse between Kamtschatka and China, dispatched an expedition under the direction of M. Resanoff. Long negotiations followed the arrival of the ambassador at Nagasaki, and the result of six months' conferences was, that the letters and presents of the emperor were rejected, and an edict issued, that in future no Russian ship should approach the coasts of Japan. It is worthy of being mentioned, that some shipwrecked Japanese, carried home by the Russians, were immediately sentenced to imprisonment for life, it being a law in Japan that no person shall leave the country and return to it without death or imprisonment.

When that famous and extraordinary man, Colbert, took charge of the deranged finances of France, he with wonderful foresight projected an expedition to Japan, which, however, from causes that do not appear, was never carried into execution.

The voyage of the *Morrison* commenced on the 3d July, 1836. We have

before mentioned that the principal object Mr. King had in view, in prosecuting the voyage, was the laudable one of returning to their native land several shipwrecked sailors. The whole memoranda of Mr. King is highly interesting, and filled with romantic incidents, but we must content ourselves with barely mentioning a few facts, relative to the subject. After remaining a few days in the harbor of Napa, the Morrison departed for the bay of Yeddo; Yeddo the reader need not be told is the capital, and as Mr. King hoped to be able to effect some arrangement by which American vessels might be permitted to enter the ports of Japan, he concluded to proceed directly to that city. On arriving in the harbour, Mr. King prepared a paper addressed to his imperial majesty, from which the following is extracted:

"The American vessels sail faster than those of other nations. If permitted to have intercourse with Japan, they will communicate always the latest intelligence." * * * *

"Our countrymen have not yet visited your honorable country, but only know that in old times the merchants of all nations were admitted to your harbors. Afterwards, having transgressed the law, they were restricted or expelled. Now, we coming for the first time, and not having done wrong, request permission to carry on a friendly intercourse on the ancient footing."

On arriving at the bay of Yeddo, the Morrison was visited with a large number of boats filled with Japanese, who were treated in the kindest manner, and presented with ornamented pattern cards of British Goods, American five cent pieces, and other trifles, which they appeared to value highly. Mr. King vainly endeavoured to obtain a mandarin to convey his papers and presents to the capital, which lay at the head of the bay. "We had inquired," says our author, "of the Japanese, how their officers was distinguished; whether they wore any badges besides the ever-famous 'two sabres.' The answer was, *if you see a man come on board that trembles very much, he is a mandarin.*"

The friendly intercourse maintained on the first day of Mr. King's visit gave strong hopes of a favorable issue of the undertaking; but at day light on the following morning a fire opened upon the Morrison, from a battery which had been formed under cover of the night, and as the Morrison carried no guns, she was obliged to depart without having accomplished any thing—not even permission to land the exiles. Mr. King proposed to put the exiles on board one of the junks at sea, but they replied that the crews on board all the junks are registered, so that even when one dies on board, it is necessary to exhibit the body to the local officers on the vessel's return, to satisfy them that there has been no evasion of the law in this change in the original number. The law which prohibits a Japanese to go abroad, and that which prohibits the arrival of strangers, are enforced with equal vigor. In order to make one more effort to accomplish the chief object of the voyage, Mr. King set sail for Kagósima, and on his arrival there, prepared papers and presents for the prince of Satsumá, which, however, were not received, and the Morrison returned to Macao, and some of the exiles afterwards found their way to this country. For the inferences drawn from the results of this voyage, we refer the reader to the volume before us. There can be but little doubt but our government, by the exhibition of a small naval force, could effect arrangements with the Japanese government, highly advantageous to American commerce.

ART. V. — BANKS AND THE CURRENCY.

WE have determined upon the publication entire of Mr. Hamilton's pamphlet on banks and currency, not because we agree with him in all that he advances, so much as from a desire to present to the public whatever the times may produce of interest upon the subject. The author is evidently a thinker. He perceives and points out many of the difficulties which now attend the action of the pecuniary system of the United States, and is at least ingenious in his suggestion of a remedy. We think there is much in the letter that deserves attentive consideration even from those who may disapprove its conclusions. New theories always require time to make their way into the confidence of the community. The principles upon which they rest, if really sound, are made better known after they have been subjected to the examination of different minds, and tested by opposite methods of analysis; and the difficulties which almost always are found to obstruct any immediate successful adoption of them, are more likely to be discovered and removed by discussion than in any other way.

The author starts with the proposition, that government, by which he means the sovereign power, whether residing in the several or the United States, has relinquished the control over the power to create money—this act or omission is the cause of the embarrassment which is now felt in the currency—hence no real remedy can be found excepting through the recovery of the lost power. This is therefore the object of the plan which he brings forward—a single bank of issues for each sovereign power.

We have no difficulty in conceding to the author that he has gone to the root of the evil. We agree with him in believing that the present plan of unlimited paper issues cannot be made safe to the community, and that, theoretically, it would be better to have these confined to a single source. But when we compare the state of things actually existing among us with the remedy which he proposes, in the manner in which he presents it, we confess ourselves to be doubtful of its beneficial operation. Mr. Hamilton does not attempt to go beyond the State of New York. His letter is addressed to the Legislature of this state only, and has reference to the creation of a system which may not be extended beyond its limits. We do not mean to be understood to say that he does not contemplate its possible adoption in other states, but that this is regarded only as a contingency, the failure of which will not affect its successful operation in a more confined sphere. This appears to us rather to evade the great difficulty of the present question. That difficulty is to be found in the necessity of concurrent legislation on the part of twenty-six separate and independent sources. These twenty-six states have all, without exception, exercised the right of authorizing the issue of paper money in the shape of bank bills, and many of them derive a direct benefit from the sale of that right, either by an annual tax on capital, or a large bonus, or they own some of the stock of the banks created, or they guarantee the repayment of the capital which has been borrowed abroad, which repayment must be secured by the profit upon a paper circulation. Here are causes of opposing legislation, various enough and powerful enough to destroy all prospects of harmony. The evil which afflicts us, is in the multitude of the sources of power which leads to an abuse of it, and puts an end to all hope of that unity of action regarded by us as indispensable to the introduction of a better state of things. This evil is aggravated by the connexion of

interest which exist between the creatures and the creators, and by the variety of local influences which may be brought to bear upon the latter, through which good principles may often be undermined and bad ones disseminated. Among so many discordant elements, it would be as unreasonable to expect harmony, as if a musician should expect his instruments to yield twenty-six notes precisely the same in sound, notwithstanding it was constructed to give them different, was set in different keys, and was subject to be put out of tune by all ordinary accidents, as well as the changes in the weather and the season.

Under these circumstances, to propose to New York to begin upon a scheme like this, without reference to the course of other states, seems to us to be at best of very little use. The currency of a people speaking the same language, having the same manners and habits, and subject to the same vicissitudes, never can nor will recognise any conventional lines of geographical distinction, nor any theoretical abstraction of state sovereignty. As a consequence of this, it has always been found that the bank note money in circulation in any particular spot does not bear so close a relation to the state authority under which it is issued, as to the opinion entertained of the ability to redeem it, and the nearness of the place, or other facility of redemption. So long as there is no uniformity of action, New York cannot escape the effects of the policy of her neighbors in counteraction of her own. She must be subject to the operation of expansions or contractions of the currency growing out of their paper issues, nearly as much as if she herself was concerned in producing them. The credit which attaches to paper money is a subject which has not yet met with the full and complete analysis which it deserves. It can be arbitrarily destroyed just as little as it can be arbitrarily created. It is the result in a great degree of *opinion*, which every body knows not to be easily regulated in these days. Hence we are inclined to believe that in a country like our's, where the supply of the precious metals for money is acknowledged to be entirely unequal to the demand created by the activity of the trading disposition of the people, paper resting upon credit will be made to serve the turn; and inasmuch as the paper does rest upon credit, or in other words, upon the good opinion which the parties receiving it has of the solvency of the party that issues it, we think it will find a circulation for itself wherever it is not positively forbidden. And the extent of that circulation will depend upon other considerations more than even upon the prohibition itself.

If our view of the matter is correct, then the proper method of executing the author's plan can only be through the agency of the national power in the first instance. Against the expediency of this, in an abstract view of the case, we are not prepared to object — on the contrary, we incline to the opinion that it would be a material improvement upon our past system of legislation; but there is a practical difficulty in the way which appears to us very serious. The whole theory upon which it rests runs counter to the feelings and prejudices, and even the principles, of a majority of the people of these states. It is in its nature prohibitory of a right which has been for fifty years exercised without restraint or question, the surrender of which would involve the sacrifice of many private interests built upon its continuance. It has also the appearance of giving additional strength to the national power, deemed by many people to be too strong already. The argument against all consolidating doctrines has ever been received with favour by great numbers of persons in the union, and within proper limits may be allowed to be a safe

and reasonable one. We should therefore despair of ever making a project of this kind generally acceptable. In proposing schemes for the public good, it is as necessary for the statesman to consider the character of the people for whom he is acting, as the value of the object he has in view. Their habits, passions, and prejudices, require as much attention as their interests. The point always must be, not so much what might be best as what is most practicable. Many plans could be devised, which considered in themselves would be likely to be of great service if adopted in this country, but which in the present state of public feeling it would be idle even to discuss. We are inclined to think this one of a single bank of issue must be ranked among the number of them. For however we may be willing to admit that it has many things to recommend it, and avoids many of the objections which exist against the present unregulated state of the currency, there is one great difficulty in adopting it, which we do not see our way to get over; and this is, that it is suited neither to the character of our institutions nor to the prevailing notions of our people; for it creates a central power, not in accordance with the principles of government held to be sound by a very great majority of those whose consent with us makes a necessary part of every law.

But even if the scheme were more likely to be popular than we suppose, there is yet one portion of it which appears to us to be liable to objections that should not be overlooked, even in so general a notice as this of ours. Mr. Hamilton's project can hardly be said to be entirely original with him, but appears rather to be the result of the reflections which he, in common with most of the late writers on the subject upon the other side of the water, has made upon the evils of the present system. If we understand him rightly, he is for introducing into New York the idea which has been heretofore suggested in the *Edinburgh Review* as fit to be acted upon in England, namely, that the issue of paper to serve as money should be confined to one body. This issuing bank is not to be either a bank of discount nor deposite, but these sorts of business are to be left to another class of institutions, which are to be in their turn denied the privilege of circulating any paper of their own.

Now, if the issuing bank neither discounts notes nor receives money in deposite, it will not possess either of the channels by which paper most easily finds its way into circulation, but they will be in the hands of the other class of institutions already alluded to. These must therefore become the great customers of the issuing bank for its bills. But if they are, and give to her the security which she may deem to be sufficient in exchange for those bills, they will not trouble themselves nor incur the additional expense of keeping on hand any supply of the precious metals with which to redeem them, but will always look to the issuing bank as the source of that supply, which may enable them at any moment of panic among their depositors to stand a run. Hence the bank of circulation will almost unavoidably become involved to a considerable extent in the good or bad fortune of the other banks; and she must always be prepared to stand alone the brunt of every commercial difficulty that may occur. This is found to be the constant effect of a partial adoption of the system in Great Britain. The private bankers are always the first to feel the effects of a convulsion, and to support themselves they immediately look to the Bank of England as the great reservoir of specie, from which they seek to draw as much as their command of the notes of that bank will enable them. Hence the run which begins upon the private bankers, concentrates itself upon the Bank of England through their agency. It is

clear that results of the same kind would follow the adoption of Mr. Hamilton's plan here. Indiscretion on the part of the discounting bankers would bring on a run from the depositors, to meet which, the notes of the issuing bank will be amassed in quantities, and returned upon it for immediate conversion into coin. This operation would go on, too, with very little reference to the terms upon which those notes were supplied, or to the goodness of the security which was given in exchange for them. An inevitable consequence must be, that the issuing bank, whether willing or unwilling, would be obliged to share largely in the risk of the business of the private bankers, and be exposed to bear the whole of the burden of any pecuniary convulsion consequent upon their mismanagement.

This difficulty is thought to have been removed in England by the insertion of a provision in the new charter of the Bank of England, by which its notes are made a legal tender in the hands of any one, excepting those of the bank itself. A private banker, therefore, who deals in those notes, has no longer any anxiety about converting them into coin, inasmuch as they are as good to him as coin for the purpose of releasing himself from any demands that may be made upon him. Doubtless this is a very convenient arrangement, and may, for aught we know, work very well; but we must be permitted to doubt whether it rests upon any sound principle of commerce, or, indeed, any thing but an arbitrary distinction. The measure seems to assume that as a fact which can never be a fact—that paper is the same thing as coin. Knowing as we do the history of paper money throughout the world, we have no right to presume that the notes of the Bank of England are an unfailing standard of value. They are liable to be affected by political events to an extent which can never be felt by coin, and any loss in their value would, as things now stand, not merely be felt by the creditors of the Bank itself, but would extend to all contracts, however honestly entered into, with every private banker who does not circulate his own notes throughout Great Britain. While, therefore, they are, as a class, shielded from much danger by the present provision, it is plain that the public incurs all that they are saved.

We are not, however, called at this time to go into any detailed exposition of our views upon this subject. Mr. Hamilton does not appear to contemplate any such measure in his plan, and, if he did, we very well know that the adoption of it would not be possible consistently with the terms of the constitution of the United States. We are very glad that it is not, on many accounts, but most particularly on this, that a bar is put by it to the possibility of making political conjunctures the apology for the issue of irredeemable government paper, or of that which, originally professing to be redeemable, would, in process of time, cease to be so. The great danger of all national moneyed institutions, which do not rest upon private responsibility and commercial interests for their safe management, is to be found in the abuses to which they are liable in moments of political crisis. With all the difficulties attending our present system, we candidly confess we would rather take our chance of the solvency of any of our honestly managed commercial banks, than of government paper under a succession of partisan administrations. We fear that the tendency of much of the doctrine of the present day respecting the currency, leads to some experiment of this kind, imperceptibly event to the minds of those who advocate it. To any such we cannot too earnestly give expression to our opposition, as being in principle

anti-republican, in practice eminently unsafe, and disastrous to the public prosperity even in its remotest consequences.

But we will not longer detain our readers from the perusal of the pamphlet itself. Many of them may regard our objections as unsound and valueless. We present them in no spirit of fault-finding, but from a simple conviction of their importance. We lay no great stress upon them, for the reason that in this age and country, and, above all, at this moment, it does not become us to be dogmatical. For the same reason, although entirely differing from the author in his view of the inexpediency of the return to specie payments in 1838, we abstain from holding any argument upon the point. The question is now reduced to a mere difference of opinion upon a theoretical principle, about which it is perfectly fair for every person to think as he likes best.

A LETTER by ALEXANDER HAMILTON, of New York, on the subject of BANKS and the CURRENCY, proposing the Creation of a State Bank of Issues, and the Restriction of Private Banks to Circulation, Discounts, and Deposites, addressed to the Honorable the Legislature of the State of New York.

GENTLEMEN:—If it will not be deemed obtrusive on the part of a private individual, I take the liberty to offer, for your consideration, a few remarks on the subject of our currency, which, although they may not entirely meet your assent, cannot fail to be respected as worthy of record for future reference. In the project I am about to suggest, there will, perhaps, be found no other recommendation than an attempt to reconcile the ultra speculations of an exclusive metallic currency with one of a representative character, based on absolute responsibility, convertible into specie.

It may be asked why any effort should be made, at the outset of an experiment, the advantages or defects of which could not have had an opportunity for development, that a project, essentially changing the whole system, should be brought forward. To this it may be replied, that it has ever been held the wisest policy in political as in military tactics, always to be prepared with a corps de reserve, should necessity render it expedient to modify or change the position which may have been assumed. I, however, contend, inasmuch as the general banking law is only on trial, it is the duty of the legislature to have in view some substitute in the event of a failure, and not be taken entirely by surprise at the moment of embarrassment. In the present experiment, there is nothing of real novelty, except it be the extraordinary fact, that government has relinquished the control over one of the most delicate attributes of sovereignty,—the power to create money, and that, to an unlimited extent.

The door has been thrown wide open for the issue of a paper currency; the old system and the new are in full operation, each dependent on the other for permanent existence, while, in fact, in their action, the several banks are heterogenous, antagonist, independent. There are no two institutions having a common interest, and none governed with reference to the public welfare. The polar star of each is profit; this is the guide, aim, and object of private banking, and the legitimate pursuit, when restricted to honorable and honest operations. It is, nevertheless, equally correct, that, while these associations ought to be unlimited in the use of their capital, and its intelligent employment, they should never be entrusted with a power which, if abused, may shake the national prosperity to its foundation. In accordance with the general impression, our banks are sound, well managed, and, as monied institutions, entitled to respect; if this be their true condition, then, with great deference, I apprehend this is the precise period when any change, which may have a tendency permanently to secure and preserve their usefulness, should be adopted—at least, discussed. Is not the reason as powerful now as at the recent crisis it was represented to be, that one of the chief causes of the embarrassment resulting in a suspension of specie payments, was the existence of an inconsiderate multitude of currency purveyors? If so, what is to be the influence of our general banking system? Does it tend to curtail or to expand the difficulty; or, has it, by some new light, been discovered that the paper medium is more stable in proportion to the sources of its creation? At any other period than the present, these inquiries would be regarded as unmeaning, and yet they are the incidental and natural considerations resulting from the policy, if there was any governing principles, which induced the enactment of the general banking law. There is now no check to the creation of these money mints; any body and every body, with or without character, has

a right to enter the fair field of competition. The amount of corporate bank capital has no limits, and for the wants of the country the currency will prove equally redundant. The whole wealth of the community, in money, ingenuity, contrivance, and chicanery, will soon be monopolized by these prolific paper-money creating concerns; every species of disguise will be resorted to; and some, not less contemptible than the miserable trick of that respectable institution, the Delaware and Hudson, of issuing notes payable on DEMAND, six months after date, "Demand" in conspicuous letters, the residue scarcely legible, a fraud without any more honest motive than the gratification of a successful imposition on the unwary. The times are not quite propitious for a full development of the dangerous fallacy of the present system; the new institutions have to move cautiously; public confidence must, for a time, be coquetted with; but when the buoyant day of prosperity shall arrive, obliterating the recollection of past troubles, the inflated bubble will burst, producing a re-action that will subvert the landmarks of "meum and tuum," civil and political liberty. Such are my deliberate anticipations; the present calm is but the precursor to a storm that will most certainly wreck the ship of state if preparations be not speedily made to take in sail, and change the bearings of her financial course.

It is not in the state of New-York alone that the fascinating project of free banking is to be experimentally essayed; the speculative example has been infectious, and while the anomalous absurdity of unrestrained paper issues is preserved perfect, the modes of giving full effect to the scheme will be as varied as the capriciousness of legislative fancies shall dictate.

It seems never to have entered into the consideration of our fiscal statesmen, that since the general peace of 1815, the mass of population and property has immensely increased, while the amount of the precious metals has received from the mines no corresponding addition. If this be correct, of which there is no question, then must money become more valuable, whether we refer abstractly to specie, as such, or to what, based on it, is intended to be its representative; or, on the other hand, the alternative is mathematically certain, that the present prices of property cannot be maintained. Villages, towns, and cities, have not only been improved, but multitudes have sprung into existence; in whatever direction we turn our attention, whether towards Europe or in America, the scene presents a most gratifying state of prosperity; in private and public expenditure there appear to be no bounds, while gold and silver have not increased in the ratio of general improvement, but have been essentially absorbed in ministering to luxurious enjoyment. Is not this a true picture of the state of the world; and does it not present strong grounds for apprehension of a serious conflict between money and property, of which specie is the measure, and that the credit system is fast advancing to a plethora?

May it not be asked, whether there is not already a perceptible increased value in specie; or, what is equivalent, a general decreased confidence in credit? The price of the precious metals in Europe has materially advanced; by the last accounts they were becoming more immediately active in settling exchanges, and thus employed, curtailing their expanding uses as a basis of a paper circulation. According to the established practice of the Bank of England, and other well-regulated institutions, the amount of paper put in circulation is as three to one of specie; consequently, if specie be employed as the immediate medium of exchange, the curtailment of paper currency must be in the inverse ratio; and if to this should be added, under any alarm, a demand for specie for the purpose of hoarding, it must be apparent that confidence will be impaired, and the credit fabric exposed to danger.

Entertaining these views, I am induced to suggest a premonitory modification of our banking system, which, although radical, as it curtails the money creating powers of the banks, is nevertheless essentially established on the known and intelligent principles that have heretofore, in a different shape, proved so successful an auxiliary in the progress of our great national prosperity. The project I propose is, to preserve the good, and discard, as far as is compatible with prudence, a feebleness in our currency, which has, unfortunately, in some measure become identified with our established experience in fiscal economy. In my estimation, it would be absolutely impolitic, and equally pernicious, altogether to repudiate a paper currency, if such a measure were practicable; it is, notwithstanding, imperatively important that the public should resume the supervisory government of this subject. The superintendence of a power of such immense and vital consequence to the integrity, stability, and permanent interests of the public, as that of money making, ought not, in the very nature of its operation, to be legislatively lodged in the exclusive hands of individuals. The value of no man's property, much less that of a community, should ever be placed at the capricious will of private cupidity and speculation. The ebbs and flows, the contractions and

expansions of the currency, are inconsistent, if the result of fictitious movements, with the principles of sound government; and if we are not already apprised of the causes which produce the sudden changes we experience, would it not be a primary and cardinal duty of legislation immediately to investigate the origin of the irregularity? As it is, all admit the error, but none dare venture on the remedy. To effect a permanent change, the private banks must be gradually shorn of their improvident and unconstitutional powers, before the public mind can settle down into any intelligent knowledge of its pecuniary responsibilities.

In order to effect this object, and, at the same time, preserve the harmony of our fiscal operations, the legislature ought to establish a state bank of issues, and simultaneously convert the private banking associations into simple banks of circulation, discount, and deposit.

In referring to the report of the secretary of the treasury of the United States, it will be found that there were in 1830 about 320 banks, with an aggregate capital of 145,192,263, with a circulation of \$61,324,000; which, by January, 1837, were increased to 973 banks, with the immense capital of \$324,240,293, sustaining a paper circulation of \$185,782,506; to which the state of New-York has, within one year, under the general banking system, prospectively added more than \$200,000,000 of capital.

If we compare our condition with that of Great Britain, the contrast will present a most extraordinary contradiction. The national debt of that great and powerful nation is eighteen times larger than the entire public indebtedness of this country. In referring to official statements, the amount of our public stocks, exclusive of the \$6,000,000 treasury notes of the federal government, are estimated at \$200,000,000; while the sum due by Great Britain is about \$3,600,000,000; and, on the other hand, her paper circulation does not exceed \$140,000,000,* while ours has been expanded to more than \$190,000,000. What must be the conclusion from this exhibition? Does it not exhibit an inconsistency fatal to the permanency of our currency? The solution of the enigma revolves itself into the fact, that in proportion as we create bank capital, we expand an artificial currency without increasing the wealth or accommodation of the public.

When we remark that it has not been possible for the enlightened finance statesmen of Great Britain to guard against destructive panics, with their comparatively contracted currency, what reasonable hope can we entertain, in our disjointed arrangements, to resist the torrent whenever adverse exchanges shall create distrust? In the course of a very brief period, we shall have every cause to apprehend a most calamitous revulsion in our monetary affairs, a catastrophe in progress by the prospective rapid decline of our most valuable staple product, and will be realized when the large shipments of cotton made in anticipation of war prices, shall bear on the European markets. The southern banks having been deeply engaged in monopolizing the cotton market, will first feel the re-action; when those of the north, governed by the natural reflective consequences, will have to encounter the raging fury of the storm, with about as much ballast as fits them to the bland influence of summer zephyrs.

In the event of a renewed embarrassment, it is to be hoped that the suicidal course pursued by the banks in the spring of 1837, may not be re-enacted. The commercial community will not again submit to be annihilated; there will be no discrimination between banks and merchants, the whole will be involved in a common chaos.

Was it not a most mistaken policy to adopt measures of shiftless expediency to guard a miserable pittance of \$1,250,000 of gold and silver, at the risk of destroying millions of responsible assets? If the banks had been governed by a liberal foresight, and a moderate degree of moral firmness, the commercial bankruptcies would have been very limited, while the suspension of specie payments would have come without the calamitous terrors which were anticipated. When the overthrow was inevitable, the extended relief became an ill-graced movement, evincing the folly and timidity of former counsel, and the entire loss of public confidence. The recollection of that eventful crisis ought to teach some wisdom to those who are immediately connected with the currency, and will, it is to be anticipated, give rise to a lucid examination of this most important subject.

It has often been the subject of surprise, that the bank of England, with the limited circulation of that country, is unable to control the currency; but on examination, it will be found that every precautionary measure on the part of the bank is invariably counteracted by the increased expansion of the competitor institutions—the latter, confiding in the management of the bank for the successful termination of their reckless improvidence, eventually find a heavy requisition on the specie in their own vaults,

* By the average of the last quarter, the specie of the bank of England was reduced to about £7,000,000; and in March it did not exceed £5,000,000.

when they are compelled to adopt an active and injurious curtailment. The same inherent disease is common to both countries; but, as with us there is less real money capital, the malady does not so soon create alarm,—the speculative genius of our people always looking forward to the bright sunshine of prosperity.

It requires but a moment's reflection, on such data, to anticipate the possibility of another explosion under the present system. It is to prevent this sad paralyzing consequence, the occurrence of which would deprive the United States of a credit system which has heretofore been so prolific in its results, that I am induced to propose a change. In the plan I refer to, a full currency will be preserved, which, being more permanent and undoubted, will give greater facility and security to business; it will be the olive branch of peace to conflicting opinions; the public mind will repose with confidence, and, knowing the true state of the currency, with a ready ability to comprehend the natural causes of occasional changes, every individual will see when to contract or enlarge his operations with intelligence. As we are now situated, no man can form any just calculation to govern his commercial operations for the future, from past or present experience.

If our political statesmen had expanded their views to the substantial cause of the suspension of specie payments when the banks were entirely within the power of legislative discretion, the patchwork policy which ensued would never have disgraced the legislative records, and the community might now be realizing the advantages of a sound currency.

If the extraordinary position of our financial affairs, having no comprehensible foundation for security, at all times insusceptible of estimate, and when an expansion is only known by its redundancy, with its baneful consequences, a general suspension of specie payment, or a contraction so sudden and violent as to paralyze, if not destroy, the best concerted arrangements, create no fearful alarms for the permanency of our republican liberties, we boast in vain of the conservative influence of public opinion. Is it not totally inconsistent with the vital spirit of free government that a privileged order, a monied power, should be tolerated, clothed with and assuming the dangerous prerogative of coining money at pleasure, and with it, the illegitimate right and ability to exercise an arbitrary sway over its expansions and contractions? This is, nevertheless, the anomalous condition of the people of the United States; already are one thousand private banks, vested with the exclusive possession of the most influential, delicate, and important attribute of sovereignty, untrammelled and unrestrained, administering to the public wants and necessities, as may seem to them most expedient and profitable to their separate coffers.

The banking system of the United States has broken from its moorings; there ought to be no more confidence placed in its usefulness under the existing organization. A change must and inevitably will come, whether we are prepared or not to meet the consequences.

In my estimation, the recent resumption of specie payments was an entire fallacy; the country was indebted on an expanded and fictitious currency, and should have been allowed gradually to have settled its affairs on the same basis—and not by a violent contraction, for the pride of appearance, grind the very substance from the indebted. The whole community has been leeches to sustain the claims of the few.

It is not my intention to insinuate the slightest disrespect to the gentlemen who conduct these institutions; on the contrary, I have no doubt they entertain the same convictions of the imperfections of the whole currency system; as they find the law, they are governed by it, but do not consider it prudent or expedient, in their peculiarly delicate position, to suggest or advise any change. While these views are introduced as the emanations of a speculative opinion, they create no apprehension, and will be rejected if impracticable and Utopian; but, on the other hand, whatever merit they may possess will gradually and usefully mine its way into the favorable consideration of reflecting statesmen.

In order more clearly and perfectly to explain the system I advocate, I will now present, by way of exemplification, a project of a bank of issues, adapted to the state of New York, to be known and distinguished as

THE BANK OF ISSUES OF THE STATE OF NEW YORK.

1. The capital of the state bank to be \$30,000,000, to be increased whenever deemed expedient by the legislature, at stated periods and under precautionary limitations; but not to be reduced below the original amount of capital. The state to subscribe one third of the capital, for which permanent securities are to be issued, and the residue to be made up from private banks, or individual subscriptions.

2. The state bank to be the fiscal agent of the government, and in its financial business and operations, to be restricted and confined to negotiations in exchange, loans on

stocks, and in the exclusive employment of providing a sound and legitimate currency.

3. The state bank to be prohibited from discounting or purchasing promissory notes, and from receiving money on deposit, except specie for safe keeping or transmission; and in neither case, without some charge, that no interference should conflict with the legitimate business of well-regulated private banking.

4. The state bank to be invested with the exclusive power to issue bank notes or bills, payable on delivery, and drafts or certificates issued by other banks or individuals to be alone negotiable when payable to order, and at special periods, carrying interest: and all such drafts and certificates to be cancelled when due, and, if not discharged, the holder to be entitled to twelve per cent. interest from the time of presentation.

5. The state bank to have authority to issue notes and bills of any denomination, not less than one dollar, and those under five may include any fractional parts of a dollar; and in order to equalize the currency, its bills and notes are to be made payable in specie in the city of New York, as the chief place of business; except those of ten dollars and under, which, at the option of the holder, may be made redeemable at the principal branches.

6. The state bank to be located in the city of New York, with authority to establish branches or to employ agencies, as may be deemed most advisable; but under no circumstances shall it be compulsory on the bank to establish branches, except at Albany, Utica, Hudson, Troy, Rochester, Lockport, Owego, Buffalo, and Oswego.

7. The state bank, in order to circulate its bills and notes, will be authorised to purchase bills of exchange, to make loans on stocks, and to open credits to individuals and private banks, corporate and incorporate, at a charge of not less than three per cent. per annum, and in such amounts and with such security as may be deemed expedient.

8. The paper circulation of the state bank, payable on demand, to be limited to the amount of a moiety of its capital; and the bank at all times to have in the city of New York one dollar in specie for every five in circulation.

9. The state bank to be limited in its dividends, the surplus profits, after discharging all incidental expenses, to be held subject to legislative appropriation for the dissemination of useful knowledge, or the advancement of internal improvements.

10. The state bank to be required to make public monthly reports of its aggregate paper circulation, and public quarterly reports of bills and notes under ten, twenty, and fifty dollars, distinguishing the amount in each class.

11. The legislature to have and exercise a constant supervision over the affairs of the state bank, and annually, or oftener if it be deemed expedient, to make a full and complete investigation into its operations, either by a legislative committee, or commissioners specially appointed for the purpose; and biennially to direct a committee of the stockholders, in which the directors shall not be included, to make a thorough examination, and report the same to the legislature.

12. The state bank to be under the direction of fifteen private, and five public directors, with a president and vice president;—the president to be appointed by the governor, by and with the consent of the senate, from a list of five names to be presented to him by the board of directors, and selected from among the private directors; or to be chosen by the private directors from the public directors, who are to be appointed by joint ballot of the legislature; the vice president to be appointed exclusively by the board of directors, without limitation. The duty of the president of the state bank shall be to superintend the general operations of the bank, and to advise and consult with the state treasurer on all fiscal subjects pertaining to the public interest. The duty of the vice president to take charge of the details, and to attend to the ministerial transactions of the corporation.

It will be apparent that a bank, established on such principles, must, or can be made to afford a circulation of undoubted character; and, if from any irresistible causes, it should ever be compelled to refuse to redeem its notes in specie, its currency would still, for all purposes of domestic business, be as useful, in the interchanges and transfers of property, as the same amount of gold and silver. As the acknowledged currency of the state, predicated on its responsibility, independent in position, and entirely free from the entanglements of commercial excitements, there could be no supposable state of things, other than a political convulsion, that could impair public confidence in its solidity. The notes would be received by, and paid out of the public treasury; the quantum of issues always known to the community, and limited in amount. The whole subject is placed under the supervision of the government and an unbiassed committee of the stockholders, and so simple in construction, as to be within the understanding of every individual.

The mystery which now overshadows the circulation, and the sudden changes to which its imbecility renders it inherently liable, would immediately cease to exist;

the currency would be uniform throughout the state, and payments could be then made in correspondence with the true principles of commercial equality.

A bank, not subject to deposit drafts, and free from all rivalry, can sustain a larger circulation, on a less amount of specie, than can be steadily supported, on a wider basis, by a multitude of conflicting competitors. It is the apprehension of irresponsibility, generally the result of a want of information in the public, that gives rise to "runs" on banks, in order to convert paper into specie; which a bank, thus constituted, can never be liable to. In fact, no instance was ever known, where a general suspension of specie payment has taken place through the direct influence of the bill-holders only; and as the state bank is to take no deposits, it cannot be subjected to a drain from any other source than its notes in circulation; but, inasmuch as a demand for specie has a direct tendency to absorb a portion of the paper currency, its natural consequence, by the contraction, would be to enhance the value of the residue, and thus effectually to counteract any serious result.

The issues of the state bank are to be guaranteed by ten millions of state stock, one dollar in specie for every five in paper; with the balance of the capital invested in stock loans and regular business exchange. As an additional satisfaction to the public, the nature, amount, and character of the securities, are, at all times, subject to legislative inspection; while the direction is composed of intelligent gentlemen, representing the public and private interests; thus concentrating all the essential ingredients to unite and exhibit a state of responsibility beyond all possible cavil or jealousy.

This is based on the true federal principle, that the best security of our republican institutions is in the virtue and intelligence of the people; while no policy can be more fatal to the harmony of our political movements than the adoption of measures catering to public prejudices. In our fiscal concerns, we seem now to be governed by a contrary doctrine. If any attempt be made to lift the veil which shrouds their mysteries, the war-cry is, sacrifice the intruder; and yet, there is no subject so important to the general welfare as a correct understanding of the condition of the currency. With the nature of our government and the mode of legislation, we are all familiar; but of the operations of the money power we are essentially ignorant; or, perhaps, it might be more correctly stated that our information is superficial, extending only to the conclusion that there is a labyrinth too intricate for the wisest to penetrate with success. The subject of currency has either become too refined, or too much of a humbug, to admit of elucidation.

The legitimate patronage of a republican government is to diffuse knowledge as widely as possible, and then, with well-established revenue laws, the commercial world want no other protection. Has our legislation been governed by these wise principles in reference to our currency? Is not the whole subject a perfect chaos; and can any person, not excepting the official dignitaries of the banks, give any estimate, from day to day, of its probable variations? Situated as we now are, apprehension and alarm are constantly agitating the money market; the slightest demand for specie immediately creates dismay and embarrassment. There are too many contriving heads employed in regulating the exchanges, and very few who look beyond the walls of their own institutions for motives of action.

I submit to the most intelligent of our merchants, the inquiry, whether any of them are governed, in their operations, with any dependence on the consistency of the conduct of the banks. The fluctuations in the circulation are not periodical; they are at constant variance with the natural movements of commerce, they tend to bias, rather than to aid, its developments, and vary without any apparent cause. The conclusion seems irresistible, from such an uncertain state, that we must either resort to an exclusive metallic currency, or adopt some substitute better adapted to the exigencies of the times, leaving mercantile credit to regulate itself.

If such a bank of issues as has been proposed were established, would it not afford a substitute less liable to causeless changes than that currency which is dependent upon innumerable caprices? There would be then no deleterious influences in the money market, no inconsistent contraction when trade and commerce require an expanded currency. The trade of the interior with the commercial depots would be carried on by bills of exchange, instead of country bank notes. The corporate bank associations would assume their legitimate character of private bankers, and, confined to the negotiation of real exchange, would, in co-operation with the state bank of issues, soon restore credit to its legitimate limits. That such a change is necessary, no man, conversant with the fictitious construction of our credit fabric, can doubt; for to him it must be apparent that a very large portion of our indebtedness arises from the creation of most of our corporate capital, to establish a vicious circulation on the credulity of the public; while the real, substantial, bona fide wealth of the country stands appalled at the inflated credit, and becomes useless to the public.

A farther recommendation to legislative action in favor of a responsible bank of issues, would be the inevitable tendency to defeat any successful attempts at forgery. In a currency familiar to the public, it would be much more difficult to circulate a spurious emission, than when the issues are of innumerable and unknown institutions. A degree of skill in the community to detect impositions would almost intuitively assume the place of ignorance. The genuine characteristics of bills and notes would be so well known, from constant observation, that every individual, and especially those most subject to deception, would be protected.

The records of our courts of justice would essentially cease to be blackened with the crime of forgery, and its attendant consequences of deeper villany. While I appeal to the intelligence of our enlightened judiciary to sustain this position, could it not be wished that the force of their experience might be enlisted in attracting public attention to this important subject.

It is impossible to estimate the cost to the industry of the community, occasioned by the facilities afforded by the present extensive system of forgery. There is scarcely a day passes without some new caution or notice to the public; and permit me to ask, on whom does the loss most seriously fall? If, for no other cause, this calamity is almost sufficient to create an insuperable prejudice to a paper currency; and does it not therefore become the duty of those who believe in the system, to endeavour to introduce some more simple medium, less liable to be counterfeited?

With reference to the administration of the state bank:—

In our experienced community it would seem superfluous to explain the important advantages incident to a direction composed of the delegates of the political interest, and those who represent the immediate intelligence, wants, and necessities of the people, abstractly. The influence of the first protects the public object in creating the bank; while that of the latter gives an influence and judicious vitality, essential to the prosperity of a commercial community. As merely a public institution, acting under the sole administration of public officers, it would be deficient in intelligence, vigor, and promptitude; thus operating without the stimulus of direct profitable remuneration; the direction would be remiss, arrogant, and soon become wedded to crude notions of financial policy.

As the government agent, to collect, keep, and transmit the public revenue, can there be any question that such a bank would be most fitted for the employment? It would not only be a responsible depository, but fully competent to perform the duty assigned it; and might eventually supersede the necessity, expense, and inexperience of a canal fund commission.

In reference to the limitation of the business of the state bank to special objects:—

Independent of the motive for guarding the bank of issues from participating in the business of discounting promissory notes, as tending to embarrass its supervisory control over the currency, is the fiscal propriety of preserving the legitimate business of private bankers in their fullest usefulness, that they may the more effectually contribute to the accommodation of trade and commerce. It is the avowed experience of the bank of England, and pre-eminently known to the intelligent merchants of this country, that the commercial world is much more liberally and efficiently aided and assisted by private bankers of real capital, than public institutions of any description can possibly afford. The same object has also governed my views in wishing to exclude private deposits from the bank of issues, as tending more effectually to keep the money of the country in constant active circulation. The deposits now lying idle and useless in our corporate banks are enormous, and will continue to be so while the banks are engaged in tampering with the currency, to the great injury of the public, and do not allow interest on balances. Is it not also true, that when our banks shall be confined to discounts and deposits, much of the expense attendant on their present operations would be reduced, and ultimately cheapen the price of loans?

The competency of the bank of issues to supply an adequate amount of currency with security:

Among those conversant with the essential ingredients of a paper medium, it is an admitted truth, that a single bank, with respectable capital, can expand the circulation with a less metallic basis than when the employment devolves on several; consequently, with this admission, there can be no doubt, that an institution can be so organized as to respond to the necessities of any reasonable contingency.

In the existing system there is no prospective knowledge; the responsibility of guarding against difficulty is the peculiar duty of none, and even when suspected to be on the approach, it is esteemed invidious to anticipate the necessity of making preparation to meet the event. To this want of a premonitory understanding, the consequence invariably has been, and ever will be, that the banks, anxious for their own security, essen-

tially contribute to increase embarrassment when they ought legitimately to afford relief. There is this peculiar and paramount advantage possessed by a bank, essentially established as a bank of issues, that, being restricted from engaging in any commercial entanglements beyond its necessities, in regulating the state currency by the negotiation of exchange, it must always be prepared to meet the exigencies of the money market, and will not be compelled to contract its circulation in periods of commercial distress. A bank thus organized, cannot be hastily required to withdraw its accommodation from the public; and even when the necessity for a contraction does occur, its policy, as well as its duty, will be to commence the curtailment by recalling its stock loans, or disposing of its stock investments. But should a still farther retrenchment be deemed imperative, the ultimate recourse is, gradually to influence the negotiations of private bankers, by raising to them the rate of interest for the use of its currency.

A farther, and not an unimportant consideration, as a guarantee for the security of such a public bank, will be the general interest that must naturally exist in every well-regulated community, to protect the solidity of an institution so absolutely essential to the prosperity and welfare of the whole.

When private banking associations are relieved of the burthen which, by no means, ought to be imposed on and assumed by them, their prosperity or misfortune has no general or immediate bearing on the public; but, like other commercial establishments, their influences are confined to their respective limited spheres. It is at this independency, I anticipate, as a maxim of fiscal excellence in our momentary affairs, that we must, sooner or later, arrive; but whether this is to be the result of convulsion, or sound legislative counsel, may be well worthy the considerate attention of those with whom our dearest rights and interests have been intrusted. The experiment we have now on hand, I respectfully predict, will speedily prove an entire failure; and consequently the earlier this subject is dispassionately examined, the more easily can the necessary remedy be applied.

In reference to the propriety of giving a full exposure of the affairs of the bank:—

On this subject there has been much discussion. It has been questioned whether frequent publicity of the condition of banks might not have a tendency to weaken their stability, by subjecting them to suspicion from erroneous estimates, and thus exposing them to invidious attacks; but if this be true, as referring to the compound character and condition of banks, being purveyors of the currency on which their discounts are predicated, it cannot apply to an institution established solely to give a currency on an intelligent and responsible foundation.

Of such a bank of issues, the better its principles and means are known, the more sure and perfect will be the public confidence in its stability, and consequently, proportionably greater permanency will be given to the national prosperity.

In this country we only want information; and that system which proposes the easiest way of acquiring it, will be sure to command the greatest respect. Can any man estimate what is the present amount of paper circulation in this state, or either of the others? The commissioners' reports afford but a very slender data on which to predicate a satisfactory calculation, and the occasional treasury reports are even less conclusive. When these official examinations are about to take place, temporary preparations are always made for the scrutiny; and as soon as it is over, the original condition is immediately resumed. Was not this position fully exemplified by the bank commissioners' report previous to the suspension of specie payments in 1837, when every thing was triumphantly proclaimed to be in a state of perfect soundness? If you take from the private banks the power to issue paper as money, you will require no inquisitorial commissioners, interfering with private negotiations.

That the issue of paper is not essential to the prosperity of our private banks, we have the experience of those in the city of New-York, whose circulation scarcely exceeds their specie; and yet they make from four to six per cent. semi-annual dividends, and our trust companies even greater. I do not, however, pretend to say that such dividends could be realized, if the currency were established on a sound basis; I am rather inclined to the opinion that the fluctuations afford the occasion, and improve the opportunity, for profitable speculation. There seems to be some secret alchemy in the present contrivance to render bank operations so peculiarly productive; buying and selling stocks, perhaps—in other terms, stock gambling.

The next subject for explanation is the limitation of the dividends on the capital of the private stockholders in the bank of issues.

It is very evident, that an association possessing the exclusive right to furnish a circulating medium, must be a monopoly; and being created by an act of legislation, common justice would require that any surplus, beyond a fair compensation for the use of private capital, should enure to the benefit of the public revenue. Whoever becomes a

stockholder, by subscription or purchase, does it voluntarily, and has no cause for complaint; but independent of this consideration, the limitation is intended to operate as a check to speculative movements by the direction of the bank, inasmuch as it destroys any sinister inducement for misconduct.

It is in this limitation, as in the direct representation of the government, that the public converts this body into an agency, to administer with the greatest fidelity and wisdom the most delicate and imposing attribute of sovereignty — the money-making power. In peace and in war, in commercial prosperity or distress, the currency of such a bank would remain the same. As such a power could be most potent in advancing the general interests, it would, if abused, prove most despotic. It would therefore be unsafe and impolitic to be entrusted entirely in the keeping of government managers, and can only be judiciously deposited where the jealousy and keen-sightedness of private interests will have a proper influence. The public will have in the capital invested a guaranty for the faithful discharge of the trust, while the private stockholders will have a perfect security through the preponderating control of their immediate representatives.

The propriety of locating the bank of issues in the city of New-York can admit of no reasonable opposition.

In the commercial emporium of the state, the wants of the money market will be best understood. There the exchanges, domestic and foreign, are concentrated; and to and from which almost every financial negotiation ultimately tends. As these are paramount influences, they cannot fail to be conclusive to every intelligent mind.

It now remains to be shown in what manner the notes of the bank of issues are to be substituted for the present anomalous currency.

The *modus operandi* by which this bank of issues is to go into operation, will, I imagine, be much less difficult than is experienced by ordinary associations. The subscription to the capital stock being complete, and payments having been made in specie or the paper in circulation, the state bank would stand in a corresponding situation with all others. The bank would then organize its direction, and prepare its notes or bills for public use; the next movement would be, either to require a gradual specie redemption of the private bank notes, or, as an accommodation to those institutions, it might issue to them its own notes, charging a moderate interest for the loan. In some instances the private banks would recal their circulation and pay specie, preferring to contract their business to the legitimate operations of real capital: but others, less independent, would adopt the alternative, and pay for the use of their own credit. In either case the facilities of the state bank would be increased.

The legislature of New York having reserved the right to repeal, alter, or modify all the safety fund bank charters, it will be easy to cause their notes to be withdrawn; and, if it were constitutional to prohibit the circulation of notes of all banks under the denomination of five dollars, with equal propriety the restriction might be extended to those of a higher value. The powers of the legislature need not be confined to the provisions heretofore employed to compel the withdrawal of the notes under five dollars; there could be other enactments still more efficient; the courts of justice might be closed against those banks whose notes were voluntarily continued in circulation after a reasonable notice.

The state could refuse to receive payment of dues, or discharge the claims on the treasury, in any other currency than in specie, or the notes of the state bank; the discredit thus thrown on every other currency, and the direct credit given to the state bank, would produce a paramount preference for its issues. In farther aid of the circulation of the state bank paper, the branch agencies would be employed in the purchase of exchange, and, by agreement, paying for the same in its notes. An important auxiliary for the extension of its emissions would be found in making loans on, or investments in, productive stocks.

If it should be objected that the operation of the system now proposed would curtail the profits of chartered institutions, the appropriate reply is, that public policy requires a change. The duty of the legislature is to protect the community, even at the sacrifice of private interests. This is the constitutional foundation of our revenue and license enactment; but, in the present case, the representatives of the people only transfer an exclusive privilege temporarily conferred on favored individuals, to a public institution, intended to promote the general welfare. As our currency now stands, an enormous contribution is constantly levied on the many for the benefit of the few, while such facilities are given to successful forgery as to render the banks almost accessory to crime.

If corresponding banks should be established in the other states, they would afford a complete basis for the successful employment of a national bank, similarly restricted and organized.

While there is no country on the face of the globe that presents such promising prospects as the United States, whether we refer to the character of the population, or the natural advantages of soil, location, and climate; yet, notwithstanding these claims to superiority, our onward course is cramped and embarrassed through the influence of an improvident, unconstitutional, and imbecile currency.

MERCANTILE LAW.

ART. VII.—THE LEGAL PROTECTION OF GOOD FAITH.*

IN a community of merchants, good faith hardly admits of eulogy. In the operations of a rich and rapid commerce, great confidence must be often reposed in others, without the minute caution necessary to a perfect protection against fraud or unfairness. Commerce, in the walks of her grandeur, is unwilling to linger at every stopping place, to turn from every small obstacle, and to distrust every one whom she meets. She fears that were she obliged so to do, one half of her vigor would be lost, and all glory stripped from her; that enterprise, her best attendant, would be fettered; that her long-sighted sagacity would be necessarily exchanged for minute vision; and instead of planning expeditions to bring home the riches of distant countries, commerce fears lest she should be confined to petty schemes of traffic, or debased by the arts which deceit begets of suspicion.

It is from absolute necessity rather than from considerations of utility merely, that a commercial society makes *good faith* a cardinal virtue; indeed, it goes farther, it considers it so indispensable as to treat it as a military people do courage, deeming its want the deepest disgrace, while its possession is but an ordinary merit.

But the moral virtues comprised in our idea of good faith do no less elevate it in our estimation. It imports all that is sacred in truth, all that is severe and self denying in integrity, all that is estimable in social communion. To be just, true, and unsuspicious of evil in our own purposes, and to be frank, unreserved, and faithful in our communications with others, form a combination of things which are truly "honest, lovely, and of good report," and which receive divine commendation.

It becomes an interesting inquiry, then, to consider how far this excellent commercial virtue, and this great moral quality, forms a ground of legal protection. And this inquiry is the more interesting, because, in actual life, it chiefly arises in cases of misfortune and loss. If no difficulty occurs, if bargains turn out favorably, neither party needs to agitate the questions arising out of good or bad faith in the making of them. But if we buy something, and find ourselves losing by a defect of title or by a vice of quality, our first reflections are as to the good or bad faith of the transaction out of which the loss arose. We appeal to our own good faith in the matter as that which ought to have insured us protection, and which should entitle us to indemnity or redress; we appeal to the good faith of those with whom we have dealt, not to subject us, acting in fairness and without blame, to a loss; we appeal to others for their sympathy in our misfortune, holding up our good faith as the signal for their attention; we appeal to them for indignation against that want of good faith to which our misfortune may have been owing. And

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although upon wise principle it is better to suffer without fault than with it, yet we feel that it is an aggravation of misfortune, that good faith on our part has not been a protection.

Good faith undoubtedly deserves protection. Whether the law gives it or not, it has it, in the sympathy, in the instinctive indignation, in the continued contempt, which on one part or the other are excited by a violation of it. But how far it ought to form a protection in the law, and, in its administration, to affect the condition of men, are not so obvious. A protection of good faith on one part might expose it on another; it might contravene those rules of society which have great principles of public policy in view, and which operate a large benefit in passing by a small evil. To protect good faith in every instance, might put to sleep that needful vigilance which is requisite to sustain society in intrinsic activity; to allow good faith to be at all times a protection, would burden the administration of justice with inquiries into secret motives and purposes; which, except when impracticable, would be exceedingly embarrassing.

Our present purpose is to carry forward the inquiry, how far good faith does form a ground of legal claim or legal defence; and while our object is to present merely common and elementary truths belonging to the commercial law, it is not doubted that this course will be more acceptable because more useful than any attempt at profound research or ingenious discussion; and our subject possesses, besides its usefulness, the opportunity of bringing together a great variety of topics of daily application.

What do we mean by good faith? By it we first imply, in ourselves, a perfect honesty of purpose, without suspicion of any thing wrong or defective in what we are transacting. By it we also imply, in our communications with others, both by our words and conduct, such truth and fairness to them, as that they are warranted in trusting and acting upon them. In law, it also requires, in our putting trust in others, a reasonable, not an excessive diligence, in taking notice of things unusual or likely to excite inquiry in an ordinary good understanding; and implies, finally, not merely a belief, but an acting in reliance upon the state of things as we believe it.

Let us examine, as a prominent illustration, the contract of sale, and consider how it is affected by good faith. This is the elementary contract of commerce, its common daily food. In relation to it, the first consideration is the right of the seller to the thing sold; if he has no right to sell, one cannot, except by a deference of the law to our good faith in buying, acquire a right by purchasing. How far, then, does the law pay this deference? Suppose, then, a purchaser to deal with another in possession of merchandise with every apparent indication of ownership, the goods wholly under the control of the seller, without the slightest ground of suspicion of his just right to dispose of them; suppose the buyer, upon this, to pay the full price and just value, and to part with his money only upon receiving the thing sold; the question is asked, whether the buyer is protected in his enjoyment of the property, if it shall turn out that those goods did not belong to the seller, and that he had no right to dispose of them. The law answers, that the buyer is not protected. If the true owner appears, the buyer must unconditionally deliver up the thing to him, without any obligation on the latter to refund the price to the purchaser. It proceeds even farther: if the buyer have sold again, the true owner may, at his choice, pursue any of those who have sold the goods, and through whose hands they have passed, or may reclaim the things themselves. And the only redress which the law affords is, that it

implies in every seller a warranty of his own title, and that he has a good right to sell. It leaves the buyer to his personal redress against the seller for indemnity and remuneration, but it takes from him the goods. The good faith, vigilance, caution, and fairness, with which the buyer made the purchase, are of no other avail.

This undoubtedly will appear a hardship, and to those who are unapprized of the rule, it is without apparent mitigation. And yet it was not a rule established without reason, nor is it without beneficial attendants. It may be a hardship for the buyer to lose the thing purchased, but would it be no hardship to the one whose goods have been wrongfully obtained from him and sold, to lose them? Is not the hardship equal? and if so, then the obvious maxim of common sense comes in to say, that he who has not property cannot dispose of it, and that in the equality of hardship, the prior right of the losing owner shall prevail over the derivative, less ancient, and less perfect right of the purchaser. Nor would it do to enter into the question, whether the losing owner had been guilty of more negligence than the unfortunate buyer. Inquiries of this kind would be interminable, and also would depend upon considerations too vague for practical application. One man may have been naturally, or, by early education, more cautious than the other, and it would not be natural equity to apply the same rule of diligence to both. The circumstances, too, under which the goods may have been obtained from the true owner, may be unsusceptible of proof by third persons. Besides, it rests on this policy of the law: In relation to transfers of personal property, which are so frequent and constant, the property itself so constantly changing place, and giving every facility for concealment, if a *bona-fide* purchase should protect him in the purchase, the one who wrongfully obtained the property would be less frequently detected, and his conduct less vigilantly watched, than if, as a general rule, the ownership of the property should not be changed by any purchase, however fair, from one not having the right. This rule compels every purchaser to know something of his seller; for it apprises the buyer that the security of the purchase must depend upon the seller's being a man not likely to sell what he does not own, or able to answer if the contrary should turn out to be the case. It is a rule which gives the preference always to an honest man and man of character as a seller. It tends to make honesty and good character profitable. And it is no unusual principle of the common law thus to bind men by their interest to see to the honesty and good conduct of their neighbors. It was this principle of making men who might know each other, responsible for the undetected dishonesty of each other, which gave to the government of the great Alfred the praise, that a purse of gold might be hung upon a tree in the forest, and found again untouched.

And while the rule we speak of has some effect to expose rapid trade to disasters, yet it is more than probable that the caution which its continuance introduces prevents many attempts at the fraudulent obtaining of property, and, in its final operation, adds to the security of commerce.

In this case it will be noticed, that the law implies a warranty against the seller, and, whether he knew of the defect of title or not, exposes him to the claim of the buyer for indemnity.

In like manner, if the sale, instead of being that of a package of merchandise, were a bond or debt, (other than a negotiable security,) and the same were originally invalid, or subject to deduction in favor of the debtor, the buyer takes the bond or debt sold to him, subject to all objections which can

be made against it ; and that, whatever be the price he may have paid, or the good faith with which he may have acted. The most frequent securities of this kind which are the subject of sale, are mortgages securing bonds for the payment of money. These, from their appearance and general character, and the legal formalities with which they are attended, are not unfrequently received without suspicion as subjects of satisfactory sale. But there can be in law no protection to a purchaser of a bond or mortgage merely on the ground of his good faith ; if there be any intrinsic original defect in the bond or mortgage, if it were originally usurious, or its execution had been fraudulently procured, or if it be subject to offset or payment not expressed on the face of the papers, and unknown to the purchaser, still the purchaser runs the risk of being to such extent a loser. So far has this been carried, that where a guardian had invested the money of his ward in a bond taken in his own name, and afterwards assigned the bond to a purchaser knowing nothing of any such difficulty, and advancing the full value for it, such purchaser was obliged to give up the bond to the ward on his coming of age ; because in law there can be no protection to the purchaser of a bond merely from his good faith. In relation to bonds and debts sold, the law assumes them not to be a necessary part of the traffic of society ; transfers of property of this kind are permitted rather than favored ; and it is always in the power of the purchaser to ask the debtor himself as well as the seller, if there be any obstacle to the payment or transfer ; this, if answered in the negative, will operate as a protection against the debtor ; and as to protection against the acts of the seller himself, the purchaser of a security must know his man. The relation of debtor and creditor once contracted, the law does not favor its shifting ; the power which a debtor may feel safe in yielding to a creditor of his own selection, may be very differently exercised by a man of different mould, and the transfer therefore is not favored.

But where the sale is of a negotiable security, such as a promissory note or bill of exchange, payable to order or bearer, there a purchase in good faith is an absolute legal protection. It is no matter how the bill or note originated, nor what just deductions ought to have been allowed by the parties through whom the purchaser derives his right ; his right is perfect upon his being a *bona-fide* purchaser.

It may well be asked, whence is this difference, that the buyer of a ship, however cautious and prudent, buying in ever so much good faith, parting with his money only on the receiving of the ship, shall find his good faith no protection ; that the buyer of a bond or mortgage shall stand in equally unfortunate predicament, while the buyer of a note or bill of exchange shall find his good faith a very *Ægis*, a perfect protection ? This difference is owing to the policy of the law in regard to the circulation of commercial paper ; it is an indulgence to commerce ; it is a long established and old compliment to the utility of a credit system. It was deemed that the circulation of these negotiable securities, by means of which payments were made without the carrying of money, was of so great benefit to commerce, rendering the making of loans and payments between the most distant places so easy, safe, and certain, in time, that the common law, rightly deemed the perfection of reason, placed their circulation on grounds of security not otherwise afforded ; and, honoring mercantile good faith, made the possession of that of itself a sufficient protection.

But while the law is in this instance indulgent to these negotiations, it requires all the circumstances to exist which constitute legal good faith.

It requires, first, legal diligence: for, if the buyer had notice or well grounded suspicion that the negotiable paper was for any reason tainted, the law withheld the protection accorded to a *bona-fide* purchaser; and particularly it holds the fact of the paper being past due as in itself giving a notice which ought to subject the purchaser to the obligation of inquiry, and to the danger of taking it, at his peril.

It also requires, that the purchase shall have been made in the usual course of trade; any unusual circumstance, which, in a mind of ordinary vigilance, would excite suspicion, exposes the purchaser to lose his claim to the protection of his good faith.

It also requires that he shall have shown his good faith by his works; by actually parting with property on the faith of receiving the paper. For, if negotiable securities are taken merely on account of an antecedent debt, or as a collateral security for such debt, the receiver does not become a *bona-fide* purchaser; he is not chargeable certainly with the want of good faith; but so, on the other hand, he has not exercised any faith whatever in the transaction. He parts with nothing on the faith of it, and his claim being to exclude other parties from some defence otherwise just, he is not allowed to do so unless his own condition have been substantially altered by a reliance on the paper. Besides, the indulgence of the law in favor of negotiable paper is in consideration of its circulation as currency; which office it is not deemed to discharge, when it is merely as collateral security, or taken on account of an antecedent debt.

Nor is good faith in a purchaser any more a protection in a purchase of lands than of goods. In relation to lands, inasmuch as they so connect themselves with the associations of life, with the early recollections of youth, and the distant expectations of middle age, and give to society all that fixes men to particular parts of the earth, property in lands has been the subject of more than ordinary protection. They can only be conveyed by deed, by will, or by inheritance; by legally drawn instruments in writing, requiring the formalities of a seal to intimate to the parties that something was transacting of more than ordinary consequence, and thereby to awaken their attention, and also requiring the presence of witnesses; or, by death and a descent to a man's relatives, events of such publicity as to attract notice, and not exposed to fraud; the law, therefore, requires of a purchaser unusual vigilance: he must be cautious; not only is his good faith no protection, but, unlike the case of goods and merchandise, no warranty of title is implied in his favor; he must protect himself either by his vigilance, or by formal covenants from a responsible seller, expressing the extent of that protection; if he does not, and any defect of title ensues, he is remediless — he cannot even recover back the price. Yet, with all diligence in a purchaser, he may be the victim of a bad title, and that with entire good faith, both on his part and that of the seller to him. The deeds through which the title has passed may have been forged, or their execution procured by fraud or violence; the wills which may have transferred the property may have been false, or the testator incompetent, from sickness or imbecility, to dispose of his estate; the parties to deeds or wills may have been under the age of twenty-one years. Numerous other unseen defects may exist, which human vigilance can scarcely detect; and yet, in all these cases, mere good faith is no protection. The party seeking protection must find it in the guaranties he can have in personal responsibility; and these, ordinarily speaking, never extend beyond the price paid. So that, if land have risen in value either from a general in-

crease in the price of lands, or by reason of erections by the purchaser upon it, the increase of value becomes wholly a loss. Not only will good faith in the purchase be no adequate protection, but subsequent improvements and expenditures in good faith add nothing to the security, although their amount adds to the loss. This rigidity of the law in relation to lands grows out of its jealousy in protecting that which out of pre-eminence it designates as *real* property. It requires every man in relation to this to act wholly at his peril; it forces him not only to the use of all care and caution, but also to look specially and exclusively to him with whom he deals. Formerly in this country, and even now in the greater part of England, titles to land might be defeated by deeds of prior date, not required by law or practice to be registered, and as to the existence of which the purchaser could only rely on the good faith of the seller, and the binding of his personal responsibility. But in the greater part of this country, from its earliest settlement, purchasers in good faith were protected from this danger by requiring the deed to be registered for public inspection; and, in default of such registry, the purchaser in good faith would hold the title, notwithstanding the prior right under an unregistered deed. This protection, however, requires that the purchaser shall have had no notice of the other deed; that he should have used the diligence of seeing if the land was in the occupation of any one, and whether he was a tenant of the purchaser whose deed was not registered; that he should have actually paid money on receiving the conveyance. Merely receiving a deed for an antecedent debt does not allow one to be a *bona-fide* purchaser, as against an unregistered deed or mortgage; the man is supposed, in such case, not to have changed his condition by his faith in his deed, and so is not protected on the score of his good faith.

There is one other instance where good faith is a protection to a purchaser of lands: this is, where there is no defect in the validity of the various acts under which the title is derived; but where the ostensible title under valid conveyances or descents is in one, and he holds it for another on some private trust or understanding consistent with the ostensible ownership, there the equity of the law makes a man's good faith a protection. This it will be seen is different from the sale of a bond and mortgage or debt, where the rule is the reverse. The reason of the difference is probably this, that the conveyance and transfer of land is deemed a matter of public necessity and utility, while the transfer of debts (not negotiable) is not so; the one is deemed to be entitled to protection as a part of the intercourse of life; the other, as an unnecessary traffic, is looked on with less favor.

Another species of property has come into existence in modern days, different from merchandise, bonds, and negotiable notes or securities, and somewhat like each. I allude to stocks. These are either certificates of public debt, money owing by the state, or are shares in the capital stock of banking or other corporations. Like merchandise, their sale is protected and encouraged; like bonds, they merely represent money owing by others or in the hands of others, and require a formal instrument of transfer; and like negotiable securities, when transferred, the purchaser becomes a perfect owner. As to the protection which good faith gives to a purchaser, the rule would seem to be, as to certificates of public debt, that the transfer is protected when made in good faith, without circumstances of suspicion, and upon present consideration; because the policy of the law favors the circulation of this kind of property, in order to render public loans more easy to be obtained. As to shares in corporate companies, as they have the right to require

transfers to be registered, and to insist that they should otherwise be invalid, the purchaser in good faith may always protect himself by insisting on an acknowledgment of the transfer by the corporate body, which acknowledgment, obtained without fraud, is binding on it; the purchaser thus becomes protected by the corporate act, and the corporate body is protected by its right of making all other transfers than those which are registered invalid. As to these stocks, then, the rule would seem to be, that a registered transfer will protect a purchase made in good faith for present consideration.

It will be seen from the preceding remarks, how little protection exists in relation to the contract of sale from the mere good faith of the party; that the policy of the law interferes and, in almost every instance, sacrifices an innocent man for the great purposes of its public policy; that the many are taken care of at the ruin, it may be, of the few; and that the upholding of politic institutions is treated by the law as of more consequence than the avoiding of individual hardship.

The contract of sale, however, of which we have already said so much, contains another very wide field for illustrating the legal effects of good faith. Not only may there be defects of title, but of quality and of quantity, equally capable of being unknown to the buyer, and unnoticed by him. What protection does good faith enjoy as to faults in quality?

Where an object capable of examination is exposed to sale, a full price given, and the buyer, either through ignorance or inadvertence, is deceived in the quality of the article, he has no redress. So far was this principle formerly carried, that where a certain kind of wood was sold as a rich dye stuff, and was so expressed to be in the bill of parcels, and it turned out to be an article wholly different and inferior, and a full price was paid, yet it was held, that in the absence of any fraud in the seller, the buyer was remediless; that the seller having praised the article, having represented it as that for which he sold it, (being himself ignorant as to its quality,) did not give the buyer any right of redress; that having the opportunity to examine, he must do so at his peril; and that if he attempted to deal in a traffic of which he was ignorant, he should purchase his knowledge by his misfortune; and it was deemed mischievous to allow every word of praise, which a seller very naturally, though not always truly, may have employed, to be the ground of a lawsuit as a warranty of the quality of the article. And the rule was most pointedly laid down, that unless the seller used artifice to conceal defects which he knew, or the buyer took the precaution of asking a warranty, the latter could have no redress, however innocent and in whatever good faith he might have been. This rule has a most prominent application in the purchase and sale of horses; in relation to which, the want of experience of one party, and the full experience and adroitness of the other, render a knowledge of the rule of much necessity.

Nevertheless, the rule, that the buyer must buy at his peril as to quality, has ever been deemed somewhat harsh. There is a natural equity, that one who pays a fair price should have a fair article, and that the owner of a thing of small value should not, by a sale to another, however careless or ignorant, be made a gainer by that mere ignorance or want of care; and although the policy of the law has stoutly upheld it, yet it has been greatly undermined and weakened by the distinctions which learned judges and unlearned jurors have united in drawing.

The rule is now held not to apply where an article is sold without being capable of examination, as in case of merchandise sold before its arrival at

the place of sale; it is there held, that a warranty is implied, that the article shall be a merchantable article of its kind, that is, that it fairly corresponds with its name, and is of reasonably good quality. Certainly one reason of the rule above alluded to does not exist here; the buyer could not see the article, but he could forbear the purchase until it was capable of examination, and he could protect himself by stipulations as to the quality. Still the old rule, in this instance, has yielded to the natural equity of the thing, and to the modern disposition to increase the rapidity of trade, at almost every expense of rules of policy.

It used also to be held, that no words of mere recommendation of quality should be held as a stipulation to the purchaser, who did not choose to have a distinct warranty; but in this too the law is yielding to a similar impulse; and it is now held, that where a buyer in good faith acts upon the recommendation, and without taking pains to examine, and that, in the knowledge of the seller, or with a direct reliance on the recommendation, the courts allow juries to imply a warranty of quality; this modification of the rule, while it would seem to be an encouragement to truth and fairness, yet is an exceedingly loose one, calculated to protect the mere supineness of purchasers, to expose the seller to controversy from the mere habit which every man has of praising what he owns, and to render it difficult to decide, until a jury shall have done it, whether a seller's conduct has amounted to a warranty or not; exposing every contract of sale under such circumstances to be the ground of a legal controversy.

Analogous to the warranty of quality, is the obligation of one who passes away negotiable paper which is invalid. In the case of every such sale, it is implied that the signatures are genuine; if they are not, the seller is bound to restore the price, or to make good the amount expressed to be payable by the paper. This rule is founded upon several very palpable considerations. It could not be expected of every man to know the genuineness of the signatures of strangers, whose wealth and standing might be well known from general reputation; while at the same time the circulation of such securities is deemed of so much general benefit, as to exempt the buyer from the delay of asking every party if his name were not forged. It also was the mutual supposition of the contracting parties, that the paper was not forged; certainly the buyer did not buy under such a supposition; if the seller did not sell under such supposition, then, the contract being made under mutual mistake as to the subject, no agreement has existed, and each must be restored to what he gave to the other; if the seller sold, himself doubting if the paper were not forged, then he was guilty of a fraud, and much more is he bound to make restitution.

In like manner, where a payment is made in negotiable securities, the parties to which have become bankrupt or failed without its being known to either, here also is presented the case of mutual mistake, or of mistake on one side and fraud on the other, and a just obligation of restitution. All these are rules founded upon the mere good faith of trade, and are equally supported by justice and policy.

But where one party, from his relation to the negotiable paper, is bound to know a signature, the dealing with the security then is at his risk. Thus, where the acceptor of a bill does not detect a forgery of the drawer's name, but accepts or pays the bill, he must bear the loss himself. He ought to know his correspondent's signature. In like manner, where a bank pays a check with the drawer's name forged, it must bear the loss. Because in each

of these cases, the parties thus paying are presumed to know, and are in duty bound to know, the hand-writing of those dealing with them; and if they permit themselves to give credit to a forged name, they are not in good faith entitled to claim from another the loss sustained by a neglect of which they were guilty and he was not.

But in the very frequent case at present of bank checks payable not to bearer but to order, and requiring endorsement, it would not seem just that a forgery of the endorsement should be at the risk of the bank. The bank is not supposed to be in immediate correspondence with the endorser, as it is with the drawer. It has no better means of knowing than he who presents the check for payment; the very presenting of a check with such endorsement is an averment of its genuineness. And, although the bank cannot claim payment of the check from the drawer, on whose money it was drawn, since it has not been paid to the one he directed, it would seem correct upon principle that he who received the money upon a forged endorsement should restore it. Good faith evidently so requires, and no principle of policy can be seen to overrule it.

The same principles upon which the warranty of quality is implied, are illustrated in relation to quantity, and it is somewhat remarkable that on this subject the law in relation to personal goods is the reverse of that which applies to real estate, and that in both instances it is an application of the same principle, that the eye must judge. Thus, where goods are sold by the piece, which are by usage known as containing a certain quantity, a warranty of such quantity is implied in the sale; because in such a mode of dealing it is mutually known that the buyer cannot judge merely by the exterior, and is not expected to measure before he bargains.

But in relation to a piece of land, if the description of it contains boundaries, and also a statement of quantity, the latter is disregarded, both as matter of description, and as a ground of implying a warranty of quantity; and this is equally true, whether the quantity is expressed in absolute terms, or by qualified expressions, as of estimate; and the insertion of the words, more or less, which are often inserted by cautious men to avoid complaint, are wholly immaterial. Thus, if one sell a house, number one, in Beekman street, containing twenty-five feet front and rear, and one hundred feet deep, and it turns out to be either twenty or forty feet in width, and fifty, or a hundred and fifty, feet in depth, the buyer takes according to the actual dimensions of the property known as number one Beekman street; if it fall short, he has no right to redress; if it overrun, he is subject to no claim for a greater price. The like is true where a sale is made of a house bounded on one side by a street, on the other side by another house, and the quantity is expressed there also; if the quantity expressed be twenty-five feet, and the actual dimensions be twenty or forty, the rule is the same. The foundation of the rule is, that every person dealing with land is presumed to buy on actual inspection. His eye designates the monuments or controlling description, the quantity expressed is merely an inference from the objects presented to the eye; but both parties are conclusively presumed to trust to their senses in preference to their inferences. And although quantity is the main consideration in any given purchase of land, yet the buyer is presumed to estimate the quantity by inspection, and not to rely upon the declarations of the seller in his deed, or upon any statement of inferences. The obligations of good faith are here deemed not to arise, since it is a case not of faith but of sight.

But if, in relation to a purchase of lands, a representation be made of its pro-

ductiveness as to rents, and it be false, there good faith requires that such representation be made good ; since this is a matter in the knowledge of the seller alone, and which the buyer cannot of course discover by inspection, nor by inquiry which any other than the seller is bound to answer ; it cannot well be a subject of stipulation, and the law imposes and enforces the obligations of truth and justice, and protects the buyer.

Another class of instances in which the rules of good faith are exhibited in the law, is that of recommendations for credit. In every commercial country where credit is extensively practised, it becomes necessary for merchants to inquire into the standing and solvency of persons applying to be trusted. The law, aware of the danger which would arise from the misapprehension of verbal conversations, and the danger of falsehood in the relation of them, has provided, that no one shall be responsible on a promise for the debt of another, without it be contained in a writing. But it does not, however, leave the subject of recommendations out of view ; it adopts this rule : that the person applied to being at liberty to answer or to be silent when inquired of as to the standing and credit of his neighbor, must, if he speak, speak in good faith ; and if he gives a recommendation which he knows to be untrue, and credit be given on faith of such recommendation, he must make it good in case of loss. But this is a liability limited only to good faith ; it only requires intentional truth ; for, if the person giving the recommendation be himself deceived and imposed on, or ignorant as to the matter of his recommendation, no matter how careless in such ignorance or mistake, and no matter how incorrect the representation, yet if he have acted in good faith, believing what he said, or not intending to deceive, his good faith is his protection ; and the good faith of the crediting party forms on his behalf no ground of claim. He had no right upon his neighbor, to whom he applies, except for good faith. The neighbor was under no obligation except for that ; he was not bound to know the subject inquired of, and both parties being equally in good faith, no obligation is implied against one in favor of the other. In such cases, therefore, no reliance ought to be placed on recommendations as a ground of legal protection. If legal protection is desired, it ought to be plainly asked, that it may be understandingly given ; and leaving an offending party to the odium which fraud and bad faith attracts, the law is too wise to interfere.

Passing now from the familiar topics of domestic commerce, into the more enlarged sphere of maritime trade, we find good faith to be of still more importance, since the distance of parties, in maritime commerce, from the scene of affairs, renders personal inspection and attention impracticable, and a reliance on the good faith of others more necessary. And yet even here it is not always a ground of legal protection. Thus a foreign agent, acting on a misconception of the orders of his principal, or deviating from orders in an honest view of his principal's advantage, is not protected by any degree of good faith on his part. He had specific orders ; he was under specific duties ; and however honest his purpose in not fulfilling them, yet it was at his own risk : he was acting beyond what he was trusted ; and if this of itself does not take away the pretence of the existence of good faith, it does deprive of any protection from it.

In relation to the transportation of goods from abroad, the liability of the ship master and owners is without protection from good faith on their part. Their liability is absolute. It is not unfrequent where merchandise received abroad in good order, and delivered in bad order, that the master and

owners consider themselves discharged, if there be every good faith on their part in the performance of their engagement as carriers: this is by no means the principle of their responsibility or exemption. If the damage have occurred by irresistible force of the elements, then they are not responsible; but unless thus occasioned, no care nor diligence on their part in providing a good ship, equipments, and crew, no vigilance in taking care of the property, serves as a protection. This extensive and absolute obligation arises out of the policy of the law. Merchandise when committed abroad to the master of a ship, ceases to be within the inspection of the owner of the goods, or his agents: the ship master and his agents have the whole disposal and knowledge of it. It is obvious, that if the master were only to be held liable for faults actually proved, for negligence, such as would disprove a performance in good faith of the obligation to transport, it would be almost impossible for the owner of the goods to prove it on him. Such owner could not find the witnesses to prove what care or negligence was exercised or committed; these witnesses would be either the crew of the ship, or the persons employed on her in a distant country: the crew are transient persons, and under the control of the master. Besides, whether measures are the result of care or the result of negligence, is to a great extent matter of opinion; and a rule of liability or exemption, founded upon it, would be very vague, indefinite, and productive of dispute. And, although this rule of liability be rigid, and may expose that meritorious class of men, who own, or who navigate ships, to disasters which they can not always prevent, and which may occur, notwithstanding every good faith on their part, yet its general operation is salutary. It quickens vigilance, and gives certainty, security, and precision, to one of the most common and most necessary contracts of commerce. The dominion of accident is by no means a definite territory: it expands and contracts itself exceedingly, according to the degree of precaution, care, and active vigilance, in those who are subject to its sway; and every principle requires that amidst the accidents of life, every excitement should be given to guard us against their occurrence, and protect us from their effects; and it is no small excitement of this sort, to hold that nothing shall be held excusable accident, which previous precaution and constant vigilance could have prevented. It has, under a sense of imaginary hardships upon this contract of carriers, been recently contended, and in some degree countenanced by judges, that this rule of responsibility should be lowered down to liability for actual neglect and want of good faith: this is in opposition to the wisdom of ages, and the practice of the whole world. And it will still be a question for jurors, the merchants, mechanics, and men of business, to declare, when such questions shall be submitted to them, what they will consider proof of diligence and good faith between parties so unequally circumstanced as to means of inquiry and proof.

The contract of insurance also requires to be brought to view, as more dependent on good faith than any other. In this contract, one party is wholly passive, the other active: one has the whole control of the adventure, has all the knowledge of the particular subject, with all the intrinsic and extrinsic circumstances which enhance or diminish the risk. The insurer takes all the chances of the adventure not arising from its intrinsic imperfections. Upon these chances, arising from the ordinary circumstances of the exposure of the subject, he assumes: but he has no control of the property, nor any right or means of providing for its safety. He, therefore,

entirely depends upon the acts and statements of the insured person contracting with him. Upon every principle, therefore, both of policy and of natural justice, he is entitled to the exactest truth, the most abundant and perfect frankness, in those matters on which his engagement rests.

The state and condition of the ship, as to sea-worthiness; as to her capacity of successfully encountering the ordinary dangers of the sea, and other risks of trade, including not only the body of the ship, but her equipment; the number, strength, and skill of the crew, the proper storage of cargo, are all assumed by the insurer to be perfect: good faith to him requires this to be so. He only assumes external dangers in the course of a trade, upon which his experience enables him to found an estimate of the premium; and if, in any of these particulars, his just expectations are defeated, his liability does not arise. The shipper of a cargo, who has no connexion with the fitting of the ship, is equally affected by defects of sea-worthiness as the owner of the ship himself: he is presumed to rely upon the engagement of the ship owner, and not of the insurer, for the goodness of the ship. So that if the ship lack sea-worthiness, whether it be known to the insured merchant or not, whether it be his fault or not, the insurance is invalid. It is the condition of the contract: it is the supposition on which it is made, and no good faith nor innocence on part of the insured can prevail against the more controlling obligations of good faith existing in favor of the insurer.

So, too, good faith requires a true representation of all external circumstances which go to increase the degree of peril to which the property is exposed. If the vessel has been at sea beyond the ordinary length of the voyage on which she has sailed, if there have been uncommon storms and tempests in the period and track of her voyage known to the insured person, if vessels have been seen dismasted or endangered in the period and track of the voyage, which might induce the suspicion of disaster, all these things, if known to the insured, must be stated by him in his proposal for insurance. He must, of his own accord, make a full and frank statement. He cannot excuse himself by saying that he was not inquired of by the insurer, or that the latter might have known on inquiry. The obligation of good faith is upon himself. He must not only make truly all statements which he does present, but he must make the statements so full as to embrace all the knowledge he himself possesses, and which go to render insurance on his part desirable, or which would cause the insurer to hesitate at insuring, or to demand a higher compensation for the insurance.

So far is this obligation to good faith one of active diligence, that where orders for insurance are sent from a distant place, and rumors are there received, which, if communicated, would affect the premium of insurance, such information must be sent forward with the same active diligence as the orders for insurance; for, if by such diligence such information could have reached the place where the insurance is effected in time to have been communicated before the contract is made, the insurance is defeated. The rule here is the most perfect protection which the law gives, and its requirement of good faith is the most comprehensive and unyielding. It exactly requires the insured to do what he would wish to have done had he stood in the place of the insurer. There is no other instance in the law, of a rule so exactly coincident with those of pure ethics.

It will be seen, therefore, on the whole, that in the great mass of the transactions of business, the law does not present the best defences of good

faith, but, out of its policy, leaves it to the protection chiefly of individual vigilance, and the sound operation of an honest public sentiment.

Without having exhausted our subject, time admonishes us to forbear too extensive an exploring of it. Let us only look back for an instant at the two main principles which develop themselves on this subject: namely, that the policy of commerce is the great object of its laws; and that that policy demands rules sometimes variant from individual justice.

Many complaints are made, of the hardship and injustice of the law. Often times such complaints are just. A general rule operates an individual hardship. As a general rule, twenty-one years is deemed the age of discretion when a man shall be bound by his contracts; while some precocious youth shows at early sixteen a degree of maturity well entitling him to the privileges and subjecting him to the obligations of manhood. A general rule requires the contracts to become surety, contracts for sales of a value over twenty-five dollars, to be in writing, to avoid the danger of misapprehension and of falsehood; yet it sometimes operates to render invalid the justest and plainest contract, contracts the most fully capable of unquestionable proof. In each particular instance supposed, the general rule is unjust in its operation; but is it less useful as a general rule? Shall every minor be subject to trial as to his degree of maturity and discretion? Shall there be no easy rule by which, as a plain one, all men may be governed, and society delivered from endless disputes and litigation?

Shall every word of heedless commendation of a man's character or credit, subject to a claim of responsibility for it? Shall this claim be supported by that imperfection of evidence, the hearsay of persons accidentally present, or present from interest? Shall the chaffering between buyer and seller expose either to the obligation of heavy contracts from a misapprehension of terms, or from an interested hearing or false relating of them? Is it not better that a general rule should prevail, by which peace and security may be obtained, instead of a more particular and varying rule, which, in seeking a minute and theoretical perfection, would be hardly capable of a just application? Deriving, as society does, all its stability from its general rules, let us discountenance all impatience at particular hardships. Let not men, because they think themselves to understand a single transaction before them, deem themselves wiser than the laws—laws, not the imperfect wisdom of one man or of one age, but the combined intelligence and experience of many men, of successive ages. And when you, the young merchants whom I address, shall be called on as jurors, as arbitrators, or in posts still more responsible, to apply the rules on which commerce and society rest, discard the narrow considerations of particular hardship or individual sympathy; search for the great rule on which the institutions of your country have thought fit to place the general welfare; and whether you are to pronounce upon the property, the character, or the life of your fellow citizen, do it upon the public rule of wisdom; do it faithfully; do it fearlessly. Yield not to individual complaint. Heed not private sympathy. Suppose not that your eye reaches all consequences. Deem not your own views to be perfect wisdom. But looking at the general public benefit as the end, and the well ascertained rule of law as the definite and certain means, seek the former, only in following the latter, and the immediate ill which you may possibly witness will be wholly absorbed in the universal good.

You have also observed, in the preceding remarks, that, as a rule of general policy, the law requires parties dealing with each other to rely upon

the knowledge they may have of their characters. You will hear this rule in its operation often censured, and especially so for the check which it brings upon the extent of practicable business. It will, with much truth, be said, that, if we are required to know every body we deal with, our dealings must be few. But is not the value which this rule gives to a character for integrity and truth something? Is not this a consequence of such a rule? Is it not better to walk somewhat less rapidly in the course of life, for the sake of having that walk made pleasant by universal respect, and honorable by unhesitating confidence? And is it not protection enough, as to the difficulties into which you may sometimes fall, from the impossibility of knowing the secrets of the heart, that public opinion, general sympathy, universal indignation, stand forth in vindicating, at all times and in all places, the claims of good faith. Base the commercial public opinion upon truth, honesty, and honor; let its censures reach alike the highest and the lowest; let the finger of scorn settle itself towards the tricky, cunning, and uncandid; let the detected falsehood, the well planned deception, the crafty overreaching, be generally marked, known, and appreciated as they deserve, and good faith will not much complain of public policy. Private interest will not be unwilling to submit herself to public good.

ART. VIII.—MERCANTILE LAW DECISIONS.

INSURANCE—TOTAL LOSS—PARTNERS AND PARTNERSHIP—PARTNERS AND AGENTS—SPECIAL OR GENERAL PARTNERS—BILLS OF EXCHANGE AND PROMISSORY NOTES—BILLS AND NOTES—REPLEVIN—TARIFF DUTIES, ETC.—FORFEITURE OF GOODS FOR UNDERVALUATION—BANK CHARTER CONTRACTS—LIABILITY OF SHIPPING AGENTS—COLLISION.

INSURANCE.

1. By the well settled principles of law, in the United States, the state of the facts, and not the state of the information at the time of the abandonment, constitutes the criterion by which it is to be ascertained whether a total loss has occurred or not, for which an abandonment can be made. If the abandonment, when made, is good, the rights of the parties are definitely fixed, and do not become changed by any subsequent events. If, on the other hand, the abandonment when made is not good, subsequent circumstances will not affect it so as retroactively to impart to it a validity which it had not at its origin.

2. In cases where the abandonment is founded upon a supposed technical total loss, by a damage or injury exceeding one half the value of the vessel, although the fact of such damage or injury must exist at the time, yet it is necessarily open to proof to be derived from subsequent events. Thus, if the repairs, when subsequently made, clearly exceed the half value, it is plain that this affords one of the best proofs of the actual damage or injury. On the other hand, if the subsequent repairs are far below the half value, this, so far as it goes, affords an inference the other way. In many cases of stranding, the state of the vessel may be such, from the imminency of the peril and the apparent cost of expenditures requisite to deliver her from it, as to justify an abandonment; although, by some fortunate occurrence, she may be deli-

vered from her peril without an actual expenditure of one half her value, after she is in safety. Where, in the circumstances in which the vessel then may have been, in the highest degree of probability, the expenditures to repair her would exceed half her value; and if her distress and peril be such as would induce a considerate owner, uninsured, and upon the spot, to withhold every attempt to get the vessel off, because of such apparently great expenditures, the abandonment would doubtless be good.

3. In respect to the mode of ascertaining the value of the ship, and, of course, whether she is injured to the amount of half her value, it has, on the fullest consideration, been held by the supreme court, that the true basis of the valuation is the value of the ship at the time of the disaster; and, that if after the damage is or might be repaired, the ship is not, or would not be worth, at the place of repairs, double the cost of repairs, it is to be treated as a technical total loss.

4. The mere retardation of the voyage by any of the perils insured against, not amounting to or producing a total incapacity of the ship eventually to perform the voyage, cannot, upon principles well established, be admitted to constitute a technical total loss, which will authorize an abandonment. A retardation for the purpose of repairing damage from the perils insured against, that damage not exceeding one moiety of the value of the ship, falls directly within this doctrine. Under such circumstances, if the ship can be repaired, and is repaired, and is thus capable of performing the voyage, there is no ground of abandonment, founded upon the consideration that the voyage may not be worth pursuing, for the interest of the ship owner; or that the cargo has been injured so that it is not worth transporting further on the voyage: for the loss of the cargo for the voyage, has nothing to do with the insurance upon the ship for the voyage.

5. An insurance on time, differs as to this point, in no essential manner, from one upon a particular voyage; except in this, that in the latter case, the insurance is upon a specific voyage described in the policy; whereas a policy on time insures no specific voyage, but it covers any voyage or voyages whatsoever, undertaken with, and not exceeding, in point of duration, the limited period for which the insurance is made. But it does not contain an undertaking that any particular voyage shall be performed within a particular period. It warrants nothing as to any prolongation or retardation of the voyage; but only that the ship shall be capable of performing the voyage undertaken, notwithstanding any loss or injury which may accrue to her during the time for which she is insured; and of repairing it, if interrupted. *Bradlie v. The Maryland Insurance Company*, 12 *Peter's U. S. Rep.*

1. In an action on a policy of insurance referring to certain conditions, wherein it was stipulated, that the assured "shall procure a certificate under the hand of a magistrate, notary public, or clergyman, most contiguous to the place of the fire, and not concerned in the loss, or related to the insurers or sufferers, that he is acquainted with the character and circumstances of the person or persons insured, and knows or verily believes, that he, she, or they, really and by misfortune, and without fraud or evil practice, hath or have sustained by such fire loss and damage to the amount therein mentioned; and until such certificate is produced, the loss shall not be deemed payable;" after the destruction of the property insured by fire, the assured applied to the two nearest magistrates, who refused to give the required certificate, and then applied to the next nearest magistrate, who gave one, which was

produced to the defendants; it was held, that the certificate of the *nearest* magistrate, was a condition precedent to the right of the plaintiff to recover. *Leadbetter v. Etna Ins. Co.*, 1 *Shepley's Maine Reports*.

2. Policies against fire are personal contracts with the assured, and do not pass to a purchaser of the property insured, or to an assignee, without the consent of the underwriters; if the assured sell the property, and part with all his interest therein before the loss happen, the policy is at an end, unless it be assigned to the purchaser; if he retain a partial interest in the property, the policy will protect such interest.

3. It seems that when the property insured be sold, and a portion of the consideration money remain unpaid, and the assured recover the amount of his loss from the underwriter, that the latter is entitled to be substituted in the place of the assured, in respect to his rights and remedies against the purchaser.

4. Where by the terms of a policy it is provided that in case the assured shall already have any other insurance, not notified, the policy shall be void, and it is declared that in case of any other insurance upon the property, whether prior or subsequent, there shall be only a pro rata recovery in case of loss, and one of the conditions attached to the policy is, that notice of all previous insurances shall be given, at the peril of forfeiting the policy: It was held, that a purchaser of a dwelling house, who effected insurance upon it, was not bound to give notice of a previous policy effected by his vendor, unless such previous policy were assigned to him.

5. The certificate of loss need not be in the precise words specified in the policy; if it be so drawn as evidently to mean the same thing, it is enough; and, accordingly, where the condition required that the magistrate should state in his certificate that he was acquainted with the character and circumstances of the person insured, and that having investigated the circumstances in relation to the loss, he knew or verily believed that the assured had sustained loss to the amount mentioned in the certificate, it was held, that a certificate of the magistrate that he resided within two miles of the place, was acquainted with the assured, and that the assured had sustained loss to the amount of the buildings mentioned in the account of loss of the assured, was a sufficient compliance with the terms of the condition. *Etna Fire Insurance Company v. Tyler*, 16 *Wendell's New York Reports*.

6. APPLICATION FOR. — The slip, survey, or application for insurance, though referred to in the body of the policy as more particularly describing the building containing the goods insured, is not such a constituent part of the policy as to operate a warranty; it is a mere representation, and, if substantially correct, the policy is valid, although one of the conditions attached to the policy be, that if the assured shall make any misrepresentation, the insurance shall be void.

7. It seems that in this respect there is a difference between marine and fire policies. *Farmers' Insurance and Loan Company v. Snyder*, 16 *Wendell*.

An action was brought in the Court of Common Pleas, Charleston (S. C.) District, at the May term, 1839, by *John Kirkpatrick v. The Charleston Fire & Marine Insurance Company*, before Judge Earle, on a policy of insurance on seventy-eight bales of cotton, shipped by Jas. McFie on board of a boat, of which one Jesse Floyd was both owner and master, from Columbia to Charleston.

The testimony of Floyd, taken by commission, was offered and objected to by the defendants, on the ground that the witness was directly interested in the event of the suit. After hearing argument on that point, the objection was overruled by the presiding Judge, and the testimony read. He states that he was sole owner of the boat, and the only white person on board at the time the cotton was lost. That about 9 o'clock on the night of 28th January, 1836, near Clement's ferry, while his boat was at anchor, he was informed by one of the hands that the cotton was on fire, that it raged with such force that he and his hands could not extinguish it, and that the boat and all the cotton was entirely consumed. Among other risks the policy covered those of fire and barratry of the master, not of consignee.

The defence set up, on behalf of the underwriters, was:

1. That the boat was not seaworthy, by reason of the notoriously bad character of the captain, and his want of skill.
2. That the cotton was not lost by fire, but stolen by Floyd, the master and owner of the boat.
3. That there was a misrepresentation and concealment by the assured, which materially enhanced the risk.
4. That the plaintiffs could not recover the count for a loss by barratry, because the master, being owner of the boat, could not commit barratry.

A great deal of evidence was offered on behalf of the defendants; the case was then argued by the counsel, and after a luminous charge by his Honor Judge Earle, the Jury retired, and the next morning brought in a verdict for the defendants.

The plaintiffs have appealed on the following grounds:

1. That by the terms of the policy, the insurers took upon themselves the risk of loss by fire and theft of the mariners, and barratry of the master, 'when not consignee,' and in this case the master was not consignee—yet his Honor charged the Jury, that if they believed the loss had occurred from embezzlement by the captain, the assured were not entitled to recover, because the master was stated to be the owner of the boat in which the cotton was laden.
2. Because his Honor charged the Jury that if the cotton was in anywise lost or destroyed by the fraud or crime of the captain, the loss was not covered by the policy, because the master or patron carried the cotton in his own boat, even if the insurer knew that fact at the time the policy was subscribed, and notwithstanding the insurers expressly undertook in the policy to insure against fire, theft, and barratry of the master, "when not consignee."
3. Because the loss having been proved to have happened either by fire or theft, and the terms of the policy having embraced both, the plaintiff was entitled to a verdict.

TOTAL LOSS. — The case of *Orlando Perkins and others v. The Atlantic Insurance Company of Boston*, decided in the Supreme Judicial Court of Massachusetts, February 23, 1839, was an action on a policy of insurance on the bark *Horace* of Kennebunk, Maine. It was a valued policy for one year. During the time covered by the policy, the bark sailed from New Orleans loaded with cotton for Liverpool. A few weeks afterwards she came into Kennebunk and anchored, and in a gale of wind she parted her cable and drifted ashore. The plaintiffs claim for a total loss.

The defence was placed upon three grounds, as follows:

1. That the ship was unseaworthy in not having sufficient cables. On this point there was much evidence. The defendants insisted, that the cables were of poor iron; that the gale was not of sufficient violence to have parted good chain cables; that this was evident from the manner in which the chain parted, and they relied somewhat on the fact, that they had requested the plaintiffs to produce a part of the cables, and test their quality. The plaintiffs offered the evidence of the manufacturers of the cables in Bristol, England, who testified to their being perfectly well made, and of good iron.

2. The second ground of defence was, that there had been such a deviation on the part of the ship, in sailing from New Orleans, and putting into Kennebunk, as discharged the insurers. To this position, the plaintiffs objected, that in an insurance *on time*, the vessel had a right to *go where she pleased*. It was a very different case from one where a ship was insured from one particular port to another. In a case of a valued policy on time, like this, there could be no deviation.

Judge MORTON considered this a novel point, and he declined giving any opinion upon it, but ruled, for the purpose of the trial, in favor of the defendants.

The latter then insisted, that this deviation was a gross breach of duty; that the captain wished to go into Kennebunk to see his family, and ought to have put into some more convenient port, if into any; and several skilful seamen were examined upon the point. On inspecting the log, they were called upon to give their opinions, whether a nearer port, might not have been easily made, and whether the conduct of the master was not grossly negligent.

On the part of the plaintiffs, it was insisted, that, under all the circumstances, the master acted very prudently, and according to his best judgment; and they offered evidence to show, that it became necessary to put into some port, on account of a mutiny among the men.

3. The defendants contended that, at most, there had only been a partial loss.

The jury returned a verdict for the plaintiffs, for a total loss. Damages—\$10,450.

PARTNERS AND PARTNERSHIP.

1. Where one of three partners retires from, or a new partner comes into the firm, or both, and notice thereof is given, but the business continues to be carried on, in other respects, as before, those partners as to whom no notice is given, will be presumed to hold the same relation to the concern afterwards that they did before.

2. In an action against several for a partnership debt, if one of the defendants denies that he was a partner, it is incumbent on the plaintiff, in the first instance, to prove such defendant to have been a partner; and, if this is done, he will be liable, unless he proves a dissolution of the partnership as it regarded himself, and notice thereof to the plaintiff before the debt was incurred.

3. In such action, a witness testified in chief, that he had given notice of the withdrawal of such defendant, and of the general dissolution of the partnership, and that he was "confident that all in the neighborhood were notified in two days." On his cross-examination, the plaintiff's counsel inquired whether he gave the same notice to the other creditors of the partnership as he had testified that he gave to the plaintiff, and the witness replied affirma-

tively, and gave the names of several to whom he had given notice. It was held, that it was competent for the plaintiff to call the persons so named, to prove that the witness had not given them any such notice as he had stated; but that it was not competent for the defendant to call any of the persons named, in order to prove that they had received such a notice from the witness.

Howe v. Thayer.

4. Where notice of the dissolution of a partnership has not been published in a newspaper, or brought home to the knowledge of the party to be affected by it, evidence of the mere notoriety of the dissolution is not admissible to prove such notice. *Pitcher v. Barrows.*

5. On the death of one of four partners, and the consequent dissolution of the partnership, one of the survivors took out letters of administration upon the estate of the deceased partner, and the three survivors formed a new partnership, and took to themselves the stock on hand, giving each his own individual note for one third of the appraised value, payable to the three. It was held, that this supposed sale was ineffectual, and that the three surviving partners were jointly accountable to the funds of the old partnership for the value of the stock.

6. Goods belonging to a partnership were consigned to a merchant abroad for sale, part of them in the lifetime of all the partners, and the residue after the death of one of them, and consequent dissolution of the partnership by the surviving partners, and advances were made upon the goods by the consignee, before and after the death, which went into the partnership funds, and were applied to the debts of the firm, the consignee having no notice of the death. The proceeds of the sales fell short of the sums advanced. It was held, that the consignee's claim to reimbursement for the excess of his advances, as well upon the goods consigned after as upon those consigned before the death, was chargeable upon the partnership funds in the hands of the surviving partners. *Washburn v. Goodman*,—*Pickering's Mass. Rep.*

LIBAILITY OF DORMANT PARTNER. — A dormant partner is not liable on the written agreement of his co-partners, to which he is not a party, to employ a person in their trade for a certain period. *English Report.*

One partner cannot bind his co-partner by deed to any new liabilities, but he may by deed bar him of a right which they possess jointly, and may individually adjust, receive payment, or release any partnership debt; and this may be done by either partner after a dissolution of the partnership. *Morse v. Bellows*, *New Hampshire Reports.*

PARTNERS AND AGENTS.

At the March term of the Supreme Court of New York, before Judge Talmadge, the case of *Addonis & Cunningham*, was an action to recover the amount of goods purchased by the defendant, under the following circumstances: In the year 1836 the defendant was introduced to the plaintiffs as a person connected with the firm of Mash & Forbes, of Georgia, and that this firm was solvent and entitled to credit. The plaintiffs in consequence sold the defendant goods to the amount of about \$700, for which he gave them a note, in the name of Mash & Forbes. This note was not paid, and the plaintiffs instituted the present suit against the defendant.

The defence set up was, that the defendant was not one of the firm of Mash & Forbes, and had purchased the goods merely as their agent, and it was at-

tempted to be shown that at the time he purchased the goods, he had been introduced to the plaintiffs, only as the agent and not as the partner of Mash & Forbes. The evidence however on this part of the question was of a very vague and inconclusive character.

The Court charged the Jury that every person who buys goods or makes a contract is bound by it, unless he acts as the agent of another, and unless he discloses that agency, or it is otherwise known to the parties he deals with. Verdict for the plaintiffs, \$795.

SPECIAL OR GENERAL PARTNERS.

A case was recently tried in the United States District Court, in New York, Judge Betts presiding, in which Elijah T. Hubbard and Henry Carrington were plaintiffs, and Edward M. Morgan, Wm. H. Jessup, Henry T. Morgan, and Knowles Taylor, were defendants, to test the question as to whether this latter defendant was a special or general partner in the firm of Edward M. Morgan & Co. of Wall street.

The action was an action of assumpsit, and was brought to recover the amount of a balance of an account alleged to be due the plaintiffs, who resided and were in business in Illinois on the 22d of January, 1838. The amount claimed was \$10,179 75, with interest.

It appeared that Mr. Taylor had put \$75,000 into the firm as a special partner, but had neglected to comply with the provision in the law authorizing special partnerships, which requires that "the business of the partnership shall be conducted under a firm in which the names of the *general partners* only shall be inserted, without the addition of the word 'Company,' or other general term:" for the word Company was used in the certificate of partnership made before Recorder Riker, and in all subsequent transactions. Judge Betts therefore instructed the jury that Mr. T. had lost the privileges of a special partner, and they accordingly rendered a verdict for the plaintiffs of \$11,125 78 — which binds him.

BILLS OF EXCHANGE AND PROMISSORY NOTES.

1. Where individuals subscribe their proper names to a promissory note, *prima facie*, they are *personally* liable, although they add a description of the character in which the note is given; but such presumption of liability may be rebutted by proof that the note was in fact given by the makers as the agents of a corporation for a debt of the latter due to the payee, and that they were duly authorized to make such note; and such facts may be pleaded in bar of an action against the makers personally, averring knowledge on the part of the payee.

2. It is no objection to such defence, that the name of the corporation be not correctly stated in the description attached to the signature; it is enough if it appear that the makers did not intend to be *personally* bound.

3. A person cannot shield himself from liability by showing that he acted as the *agent* of another, unless he avowed himself as such to him with whom he contracted, or the fact was known to him. *Brockway v. Allen*.

4. A drawer of a bill, or the endorser of a note, is not discharged from liability by the omission of the holder to make presentment or demand, or to give notice of non-acceptance or non-payment, where it is clearly shown that no injury or damage has been sustained in consequence of the omission.

5. Damage, however, will be *presumed* from the omission, until all possi-

bility of injury from the *laches* of the holder is removed by proof. *Albany Commercial Bank v. Hughes.*

6. It is no defence at law to an action on a promissory note, that it was given as part consideration of land sold by the payee, which he covenanted was *free from incumbrances*, and that the land is subject to a mortgage, executed by him, for a sum exceeding the amount of the note. *Lattin v. Vail.*

7. Where a promissory note is given for a specific sum, evidence that *at the time* of the giving of the note, it was agreed between the parties that an *account* which the *maker* held against the *payee* should be deducted from the note, is not admissible.

8. An agreement, however, made *after* the giving of the note, that a debt contemplated to be contracted by the payee with a third person, should be allowed in payment of the note, is a valid agreement, and the debt, when contracted, may be shown *in payment* of the note under the general issue.

9. But such debt cannot be allowed as a *set-off*; and where a court of common pleas instructed a jury that they might allow it, *either* in payment or as a *set-off*, the judgment entered upon a verdict in pursuance of such charge was reversed. *Eaves v. Henderson.*

10. In an action by the *endorsee* against the maker, a promissory note cannot be given in evidence under a count for *money lent*; but it may be given in evidence under a count for money *had and received*. *Rockfeller v. Robison.*

11. Where a note was made by A., payable to B. or bearer, and C. endorsed it, and an action was brought by a third person, claiming by transfer from B., charging C., as the *maker* of the note, *it was held*, on demurrer, that the declaration was bad.

12. *It seems*, that when an *endorser* of such a note is privy to the consideration, he may be charged directly as *maker* or as *endorser*; and that a *bona fide* holder may in all cases write a bill of exchange over the name of the endorser, or fill up the blank in any form consistent with the intent of the parties. *Dean v. Hall.*

13. Where a debtor certifies a balance as owing by him, and then draws a note stating the amount in the *margin* in figures, but in the *body* inserting an amount a few dollars less than the true sum, as \$300 instead of \$334, *it seems* that the creditor may, without any *express authority*, insert the words omitted, and make the note to conform to the original intent.

14. At all events, upon such evidence, he is entitled to recover upon the common count of *insimul computassent*. *Clute v. Small.*

15. Although as between the *payee* and the *drawer* of a bill of exchange, the remedy of the former against the latter is not affected by the omission to make *presentment for acceptance* of a bill payable a given number of days *after date*, provided it be made at the maturity of the bill: the same rule does not prevail as between the *payee* and a *broker* or agent with whom the bill is left for collection. The agent is bound to present the bill for acceptance *forthwith*, and if not accepted, to give notice thereof to his principal, and if he neglect to do so, he becomes responsible in damages.

16. Where an agent had neglected to make presentment for 17 days, *it was held* that he was liable in damages to the full amount of the bill, although it appeared that the drawees had no funds, that they were directed by the drawer not to accept, and that the lateness of the presentment had no influence upon the non-acceptance: it appearing in proof that *subsequent* to the drawing of

the bill in question, other bills of the same drawer had been accepted by the same drawees, and paid or secured to be paid.

17. *It seems*, however, that facts and circumstances tending to reduce the amount of recovery, or to mitigate damages, may properly be submitted to the consideration of the jury. *Allen v. Suydam*.

18. Where an *accommodation note* is drawn for \$2,500, and the payee declines to endorse for the *whole amount*, but agrees to do so for a less sum, and writes a direction to the cashier of the bank where the note is made payable, to pay upon it \$750, such note is, *in legal effect*, a note for \$750, and may accordingly be declared upon as a note for that sum.

19. The holder of a note is relieved from demanding payment and giving notice of non-payment to an endorser, who, within a few days before the maturity of the note, writes to him that the maker has failed, acknowledges his liability, and asks indulgence until funds can be realised from security given by the maker.

20. The *mere taking of security* by an endorser, from the maker of the note, does not dispense with a demand and notice, unless it appear that *funds* have actually come into the hands of the endorser to an amount sufficient to satisfy the note, or that *all the property* of the maker has been actually transferred to the endorser. *Douglass v. Wilkinson*.

21. *Indulgence* to the maker of a note *on receiving securities* from him, does not discharge the endorser, when there is no valid agreement for giving time of payment for a definite period. *Bank of Utica v. Ives, Wendell's New York Reports*.

The Englishman and Military Chronicle, of February 2, 1839, contains a report of a case in equity, in which *Radakissen Mitter* was the plaintiff, and the *Bank of Bengal, George Udny, and the Assignees of Messrs. Ferguson & Co.*, were the defendants. The plaintiff's bill prayed an injunction to restrain the defendants from proceeding at law against the complainant on five bills of exchange, for the aggregate amount of four lacs of rupees, drawn by him in favor of one Durpnarain Gangooly, accepted by Messrs. Ferguson & Co., and discounted by the Bank of Bengal.

In consequence of the insolvency of Ferguson & Co., the bills were dishonored, and actions were brought upon them against the plaintiff, which it was the object of the bill to restrain.

Several points were relied upon by the plaintiff, all of which were overruled by the court, except one, which was, that the Bank were holders of securities deposited with them for a particular purpose, but the surplus produce of which, if any, was applicable to the payment of the bills; that the Bank parted with these securities not only without the privity of the plaintiff, but against his express dissent; and he contended that by so doing they discharged him from his liability.

A majority of the court were of opinion, that the ground taken by the plaintiff on this point was right. It was clear, they said, first, that a surety is entitled to the benefit of securities deposited by the principal with the creditors, whether deposited or not with his privity; secondly, that the surety is discharged by any act of the creditor, by which his situation is altered. And they thought that the objection that the plaintiff was not damnified by the disposal of the securities was of no avail, because the surety is entitled to judge for himself of what is for his own benefit, and another party cannot judge for him without discharging him.

The consequence was, that the court granted the injunction, in effect discharging the plaintiff from all liability on the bills.

BILLS AND NOTES.

NEGLECT — An interesting case was tried in the Supreme Court, June 4th, 1839, Judge Oakely presiding. It was brought by *Henry Suydam and William Boyd v Solomon and Moses Allen*. It was an action to make the defendants liable for the amount of a note given them to forward to Concord, New Hampshire, for acceptance; and in relation to which, it was alleged they had acted negligently, and by so doing, rendered themselves responsible for its amount.

The occurrence took place in the year 1833, and the case had been ever since in litigation, having been first tried in the Superior Court, and from thence brought to the Supreme Court, and then to the Court of Errors, and back again to the Superior Court.

The note was drawn by J. Esterbrooke, of this city, on W. W. & J. A. Esterbrooke, of Concord, New Hampshire, and placed in the defendants' hands about the 16th of August, to forward it for acceptance. The defendants, however, omitted forwarding until some time in September, and it was then returned to them dishonored. The plaintiffs refused to take back the note, on the ground that the defendants had, by their negligence in forwarding it for acceptance, made it their own. Early in October, the ensuing month, after the bill came back dishonored, the drawer, Esterbrooke, left New York on a journey, and was lost in the New England Steam Boat. It appeared, that even had the defendants sent on the bill in due time, it most probably would not have been accepted. For when it was presented for acceptance, the brothers on whom it had been drawn refused to accept it, alleging on one occasion, that they had received no instructions to do so, from their brother who had drawn the bill; and on another occasion, they alleged that they had received instructions not to accept it. But it also appeared that had the bill been sent for acceptance, and returned in proper time, the drawer of it was then apparently in such good standing and credit in this city, that it was fair to infer he could have paid the bill, or given security for it.

When the case was tried in the Superior Court, Chief Justice Jones charged the jury, that as the defendants had acted with negligence, in not sending on the bill in due time, they had, by doing so, made it their own, and that the law left the jury no option to consider the circumstances of the case, and they must find a verdict for the plaintiffs, for the full amount of the bill. And the jury found so accordingly.

The Supreme Court, and the Court of Errors, decided, that the defendants were liable for their negligence, or inattention, but that the extent of their liability was not a question of law, and should have been left to the decision of the jury.

The Court charged the Jury.

The case contained two questions. First, were the defendants liable at all; and secondly, if they were, to what amount. All the Courts, before which this case had gone, agreed that the defendants are liable in damages to some extent. The defendants, in their capacity of brokers, undertook to collect the bill, for doing which they were to receive the ordinary compensation. They however did not send on the bill with due diligence, and it was dishonored. When this case was tried on the former occasion, the court thought that the rule of law was, that if an agent takes a note to collect, and acts

The sale here by the Messrs. Minturn was made under the direction of the Port Wardens. The plaintiff was served with a notice that the sale would take place unless the freight and expenses were paid. After the sale to Thompson, he employed a cartman to remove the molasses, and had removed two casks, and was removing a third, when the sheriff interfered and took possession of the balance. The court charged the jury at great length, chiefly on points of law, and directed them to find specially.

The jury found for the plaintiff, and specially that the purchaser (Thompson) did not take possession of the molasses at the sale. For the plaintiff, E. Griffin, sen. For the defence, H. Ketcham.

TARIFF DUTIES, ETC.

TWIST NOT LIABLE TO THE PAYMENT OF DUTY.—In the United States Circuit Court, before Judge Betts, the case of *Samuel F. Dorr v. Jesse Hoyt*, Collector of the port of New York, was an action brought by the plaintiff, an extensive importer of French goods, against the defendant, the collector of this port, to recover back the sum of \$88 60, being the amount of duties charged on an importation of twist.

These duties had been charged under the decision of the comptroller of the treasury of 1833, and the entry was made and the duties levied, as upon sewing silk, at the rate of \$2 28 per pound.

The plaintiff contended, that this particular article, twist, was not in itself silk, but that it was composed of goat or mohair and silk, and that it would not serve the same purpose as sewing silk, and that under the tariff it was provided, that articles of importation of which silk forms a component part, were free of duty; and it was farther contended, that, according to mercantile usage, twist was not sewing silk, under which class the duty had been claimed and exacted. The entry and payment of the duty, under protest, were admitted, and the plaintiff called a manufacturer of twist, who testified to the article being composed partly of goat or mohair, and partly of silk.

For the defence it was contended and appeared that, under the decision of the Comptroller of the Treasury of 1833, this article had been entered as all goods of the like kind, and classified as sewing silk by the custom house authorities. On cross examination, however, of the defendant's witness, it came out that the component parts of the article twist, were as contended by the plaintiff.

The court said that all articles manufactured partly of silk, or of which silk was a component part, were entitled to be admitted free of duty. The custom house department had established, as it appeared by the testimony adduced in this case, a rule which the merchants had protested against, and this was a question for the jury to pass upon.

The jury, without leaving their seats, found a verdict for the plaintiff for the amount claimed, namely, \$88 60; thus sustaining the protest of the merchants, that twist is not liable to payment of duty. For the plaintiff, Daniel Lord, Jun.; for the defendant, B. F. Butler, Esq.

FORFEITURE OF GOODS FOR UNDERVALUATION.

In the United States District Court, at the January term, 1839, a suit was instituted by the *United States v. Eight Cases of Lamps*, imported from France in June, 1838, per ship Louis Phillip, and consigned to Augustine Draconi.

The articles were what are called mechanical lamps, having in the inte-

rior of the lamp a machinery and movements similar to those of a clock, by which the oil is at all times so forced up to the wick, that the lamp gives a much brighter and more beautiful light than ordinary lamps. The bodies of the lamps were entered in the invoice at thirty francs each, and the suspension frames, globes, and other appendages, were all entered in the invoice at various specific prices, all of which it was alleged were 100 per cent below the appraised value and the current price of such articles, and that therefore the invoice had been fraudulently made up to defraud the revenue of the United States.

In support of these allegations, several appraisers and other *attaches* of the Custom House testified that they had examined the articles, and that the value put upon them in the invoice was from 70 to 100 per cent below their current price. But it appeared that not one of the Custom House officers who had examined the articles, had any practical knowledge of the value of or price of such articles, and had formed their opinion only from inference, founded on information they obtained from others. There were also some witnesses called who dealt in lamps, but not in the peculiar sort of lamps now in question, which have been rarely imported into this country. The witnesses could therefore decide upon their value only inferentially, and in this way they set a much higher value on some of the articles, than they had been set down in the invoice.

On the part of the claimant, witnesses were produced, who are practically acquainted with the value of such lamps, and they valued some of them below the invoice price and others a little above it.

The Court charged the Jury. It would be necessary for them to take the invoice and the appraisement, and compare them together, and then compare these papers with the testimony, and see how far the evidence supported and upheld the invoice or the appraisement. After the Jury had done this, they would apply the facts, and draw the proper inferences.

It was necessary for the Court to lay down the principles of law by which the Jury were to be guided in giving their verdict, in order that they should know what they had to decide. It was said that the property in question had been imported in violation of the revenue laws, in as much as that the importer, in making out his invoice, had entered the articles at a false valuation. The question then for their inquiry was simply, was the invoice made up with intent to defraud the revenue, by charging the property under its value?

The government had given no direct evidence on the subject. It was competent for them to have shown what the articles cost the importer abroad; and if the price in the invoice was shown to be less than the purchase, this would have been direct testimony to show that the invoice was false, and if the party was to have derived advantage from it, the Jury would be necessarily called in to say that he had committed a fraud to cheat the revenue. There had been however no direct evidence given by the government, and they had endeavored to show that the market value was more than the invoice, and if that had been shown it was ground for a fair inference that the party had bought them at the current market value, and it would be then incumbent on him to show at what price he had actually purchased them, and, if he did not so do, it would be fair for the Jury to infer that the invoice was falsely made up.

The case rested mainly on whether the invoice was charged below the fair market value. And the government had endeavored to prove this in

various ways. First they showed the value set upon it by the appraisers. And although this was, in the first instance, *prima facie* evidence, to a certain extent, it was not, invariably, evidence of the highest character, as it was not to be supposed that the appraisers were acquainted with the value of all articles which came into this port. And in the present instance it appeared that the appraisers, had never been engaged in the sale or manufacture of such articles, or had any practical knowledge of their value, and made it up only from general inquiries. And supposing that the judgment formed from such sources showed a different value to that in the invoice, still that would not be sufficient to prove a fraud. For if the market or adjudged value of the articles was not much greater than what was in the invoice, then the jury had a right to consider whether the deviations were greater than the ordinary fluctuations of the market, or what might arise from the necessities of the seller, the state of the times, or any other occurrence incidental to mercantile affairs. And if the testimony showed that the invoice was as nearly right as wrong, then it was the duty of the Jury to consider that the importer intended to act rightly towards the government, and they should not impute a fraud to him which the testimony had not clearly established.

Verdict for the claimant.

BANK CHARTER CONTRACTS BETWEEN THE STATES.

The Supreme Court of Louisiana decided, at New Orleans, in the case of the *Atchafalaya Bank v. Dawson*, that the forfeiture of bank charters by the suspension of specie payments does not accrue to individuals, or to any person or party, but to the State which gave them; and it alone can avail of forfeiture and take away the charters. That although by a clause in the charter of the Atchafalaya Bank and some others, in case of a suspension of specie payments for 90 days, the charter is *ipso facto forfeited*, yet the Bank continues to exist and can sue and be sued until the State choose to institute proceedings and take from it its charter. In other words, that bank charters are contracts between the State which grants, and the corporators or stockholders who accept and receive them.

LIABILITY OF SHIPPING AGENTS.

The case of *William H. Bentley & Co. v. Stark W. Lewis*, was an action recently brought in the Superior Court, before Judge Oakley, to recover damages for an alleged breach of contract, committed under the following circumstances:—

The plaintiffs are a mercantile firm doing business in Baltimore, and the defendant belongs to this city, and is agent for the schooner Mohican, trading between this port and Baltimore. On the 14th of March, 1837, Messrs. W. G. Bull & Co. of this city, agents for the plaintiffs, shipped on board the Mohican 50 hhds. of sugar for Baltimore. The vessel being advertised to sail with immediate despatch, it was expected that the sugars would arrive out in season to sell for the then existing high prices of the article. It was afterwards learned that the vessel did not sail till after the 20th of March, and did not arrive at Baltimore till the 15th of April. The consequence was, that the shipment of the sugar, instead of fetching the "top of the market," as was anticipated, the sale was made at the full decline of the article, which made a difference in the result of some \$2 00 per hundred weight to the plaintiffs. It was to recover this difference in price that the present suit was brought. The bill of lading for the sugar was produced and admitted.

For the defence, it was contended that the voyage had been prosecuted with all due and reasonable diligence. And proof was adduced to show that after the 14th of March a storm of some ten days duration occurred, which caused a corresponding delay in the voyage.

The jury, under a brief charge by the court, rendered a verdict for the plaintiffs of the amount claimed, with interest, viz. \$512 73 Counsel for the plaintiffs, D. Lord, jr., for the defendant, Griffin, sen.

COLLISION.

The case of *Benjamin Lowry v. The Steamer Portland*, in the United States District Court, before Judge Davis, was decided on the 22d of January, 1839. In this case, the libellant claimed to recover about \$600, for damages, sustained by the schooner *Cygnets*, of 83 tons burden, in consequence of a collision with the steamer, on the night of November 17, 1838, when passing through the passage between Thatcher's Island, and the Londoner—the schooner being bound from Bangor, (Maine,) to Medford, (Mass.,) with a cargo of lumber, and the steamer being on her way to Portland from Boston.

It appeared, that while the schooner was passing through the abovementioned passage, steering S.S.W., with a moderate breeze from the N.N.W., those on board her discovered the *Portland* about one point on the weather bow, three or four miles distant. The schooner was then kept off about one point, and shortly afterwards another point, to the southward. The steamer was then steering a little to the eastward of N.N.E., thus bringing the schooner nearly ahead, and she was discovered by those on board the steamer, at a distance of about three fourths of a mile in that direction. Soon after discovering the schooner, the course of the steamer was changed to the Eastward—the necessary measures taken to diminish her speed, and, when the danger of collision became imminent, the machinery was reversed so as nearly to stop her way before the two vessels came in contact.

The main question in the case was, as to who was in fault.

Judge Davis, in the course of the investigation, called in three experienced men—Benjamin Rich, William Sturgiss, and Francis Dewson—to hear the evidence, and answer certain questions to be propounded to them.

They accordingly, after hearing the evidence, delivered their opinion on the following points, to wit:

1. The general practice, both upon our coasts and elsewhere, is, that when two vessels approach each other, both having a free or fair wind, the one with the starboard tacks aboard keeps on her course, or if any change is made, she luffs, so as to pass to windward of the other, or in other words, each vessel passes to the right.

This rule should govern vessels, too, sailing on the wind and approaching each other, when it is doubtful which is to windward, but if the vessel on the larboard tack is so far to windward that if both persist in their course, the other will strike her on the leeward side, abaft the beam, or near the stern; in such case the vessel on the starboard tack must give way, as she can do so with greater facility, and less loss of time and distance than the other. These rules are particularly intended to govern vessels approaching each other under circumstances that prevent their course and movements being readily ascertained with accuracy; for instance, in a dark night or dense fog. At other times, circumstances may render it expedient to depart from them.

2. A steamer is considered as always sailing with a fair wind, and is, therefore, bound to do whatever a sailing vessel, going free, or with a fair wind, would be required to do, under similar circumstances, in relation to any vessel she may meet.

3. There was a deviation from the common usage by those on board the schooner, in keeping her off when she should have been kept on her course or luffed. Had the schooner kept on her original course, S. S. W., she would have passed to the windward of the steamer, and no collision would have taken place.

4. The course taken by the steamer was in conformity to what may be considered the usage in such cases, and those on board of her did all they ought to have done to avoid collision.

5. The collision was the consequence of the change in the course of the schooner, which ought not to have been made in that direction.

After hearing the opinion of the referees, Judge Davis took time to consider, and yesterday he delivered his own opinion, in which he adopted, substantially their views, and ordered the libel to be dismissed, but without costs.

ART. IX.—BOOKKEEPING—PRINCIPLES OF DOUBLE ENTRY.

The American Institute lately appointed a committee to examine a new method of teaching the theory of bookkeeping, by Mr. Thomas Jones, a gentleman associated with Mr. B. F. Foster, and from a report of the investigation, which is published in their journal, it would appear that the elementary part of the instruction is accomplished by Mr. Jones in a way that is entirely original, and which has manifestly a great advantage over the ordinary method of proceeding. The main features of Mr. Jones's method are, that he begins at once to analyze the plan of a ledger, and thus develop the principles on which it has been made; whereas by the old method, the pupil has been set to make a ledger without knowing any thing of its plan, object, or principles, he has therefore been guided by rules, and left to discover principles in the best way he could.

In this analysis Mr. Jones has opened a new field of inquiry, and our readers cannot fail to be interested with the discovery of the double arrangement, embraced in the double set of accounts, the debit of one set being the credit of the other, thus explaining at once why a debit and a credit are always required. The division of accounts into real, personal, and fictitious, is, therefore, exploded, for no one who has once seen Mr. Jones's natural division, in which each set is proved to be one history of the business, would listen for a moment to a division which confounds the cash accounts with merchandise. The analysis at once shows these two accounts to be opposed—to be the very reverse of each other, and totally different in their object; and that any classification of the accounts into more than two sorts, must produce confusion, and entirely frustrate all attempts to describe or demonstrate the theory. We will, however, let Mr. Jones speak for himself; the following we abstract from a manuscript he has furnished to us:

The terms Debtor and Creditor, seem to have proved the stumbling block of every author who has undertaken to explain their application.

The science, as appears by analysis, strictly limits their use to distinguishing the side of any account we may wish to point out, whilst the writers on this subject have tortured their own imaginations as well as their readers, by the attempts to preserve the ordinary meaning of these terms, and to show that all items in the columns entitled Dr. are in some way indebted. Now, it is easy to see that the Drs. of one account are a collection of purchases; of another, losses; of another, receipts; of another, redeemed notes; and it is absolutely necessary that all this should be known. In every different account, a Dr. has a different object, and one Dr. is like another, no farther than its belonging to the left hand column of the account. But what if we could, by such means as we explain a conundrum, point out some hidden relation of owing in each of these, we should only be luring the student from the investigation of principles which he ultimately must learn, and employing his ingenuity on a series of conundrums, not any one of which can throw light upon the next, the whole puzzle being dependant on an arbitrary use of words.

The theory of bookkeeping is a problem of arrangement, that is, of writing down the state of a merchant's business in a ledger divided into separate places of record called accounts; each class of items has therefore its proper place assigned, and to know these places, and the object of each collection, is to know the plan. Now, it has been found convenient to make a general separation of Dr. and Cr. items, before they are put into the ledger, and to state what account each belongs to, which operation we call journalizing; but it is clearly impossible to understand this process of preparation, until the plan of the ledger has been studied, and the object of each collection has become familiar. Thus, the collecting together all receipts of cash, forms a principle from which the pupil deduces at once the place of any single receipt, and so with every other part of the arrangement.

It may be affirmed with positive certainty, that no one will succeed in keeping books, until he has become familiar with the ledger, and the principles involved in it, and hence it is easy to account for the general preference given to counting house instruction rather than that of the school. A young man in the counting house will, in time, by looking over the books, discover the principles. But the rules of the teacher absolutely stifle all rational investigation—the principles are not only kept out of discussion, but the pupil is prevented from even making such discoveries as his natural resources would have led him to. It is absurd to set a pupil to journalize before he has explored the theory of the ledger, and made the whole familiar, as a plan on which he could arrange any business transactions that might be offered to him; if on attempting to journalize he should fail, let him return to the theory until he feels himself master of it, and sees at once the effect any entry will have on the final balance sheet.

A double entry ledger contains two distinct sets of accounts, each set being of itself a complete history or representation of the result of a business. The same items are contained in each set, but they are under a different arrangement. Thus, one set shows how much the merchant is worth* by exhibiting his present effects and debts, the other shows what he is worth by exhibiting the original capital and subsequent gains or losses. The agreement of these two sets or schemes of arrangement, in showing what the merchant is worth, constitutes the balance of the books.

Cash, Bills Receivable, Bills Payable, and Persons' Accounts, we call

* This analysis supposes a complete ledger, that is, a ledger representing the merchant as sold out of business, by which the pure theory is most clearly exhibited.

definite accounts, because they show the situation of the property of the concern; they constitute one entire set. The rest of the accounts in a ledger, however numerous, are merely to exhibit how much of the property, as shown in the definite accounts, has been gained, and how much was original capital; and as these items of gain, etc., are abstract sums, and are not to be added to the property, but are merely used to describe how it was all acquired, they are called abstract accounts, and are arranged thus:

ABSTRACT ACCOUNTS.			DEFINITE ACCOUNTS.		
<i>Dr.</i>	<i>Stock.</i>	<i>Cr.</i>	<i>Dr.</i>	<i>Cash.</i>	<i>Cr.</i>
Debts commen-	|	Capital commen-	Receipts.	|	Payments.
cing.		cing.	<i>Dr.</i>	<i>Bills Receivable.</i>	<i>Cr.</i>
<i>Dr.</i>	<i>Merchandise.</i>	<i>Cr.</i>	Notes received.	|	Disposed of.
Purchases or cost.	|	Sales or returns.	<i>Dr.</i>	<i>Bills Payable.</i>	<i>Cr.</i>
<i>Dr.</i>	<i>Ship.</i>	<i>Cr.</i>	Redeemed.	|	Issued.
Cost.	|	Returns.	<i>Dr.</i>	<i>A. B.</i>	<i>Cr.</i>
<i>Dr.</i>	<i>Profit and Loss.</i>	<i>Cr.</i>	His accountabili-	|	My accountabili-
Losses.	|	Gains.	ty to me.		ty to him.

It will appear from the above, that the abstract accounts, leaving out stock, contain in their *Dr.* columns the whole outlay in the business, the headings of the several accounts showing in what way the sums were expended; and the *Cr.* columns contain the returns of the business, each class of returns being compared with its outlay; by which means, the gains or losses on the whole, or any part of a business, will be easily deduced; and this set of accounts may be increased at pleasure, provided care is taken always to keep the outlay on the *Dr.* side. This set then shows the original capital, and subsequent gains, and consequently the present worth of the merchant.

A little farther investigation will show that each of these two sets of accounts must necessarily give the same result, for they consist of the same items under a different classification. The sums entered as investments, or outlay, forming the debits of the abstract accounts, are the same sums that are entered in the *Cr.* columns of the definite accounts, for all outlay must have been either cash paid, bills disposed of, or debts contracted, and would consequently be entered in each set, on the debit side of one set, and on the credit of the other. And all sums entered as returns in the abstract accounts, have also their corresponding entries in the debit of the definite accounts, either as cash received, bills received, or debts due. Hence the debit items of one set are the credit items of the other, and double entry is, in reality, two schemes of arranging the money items of a business; it follows, also, from this double arrangement, that two entries are always required of any money item in the ledger, and as the columns of one set of accounts are the reverse of the other, one of these entries must be a debit and the other a credit.

From an inspection of the foregoing forms of accounts, it appears that each one contains two principles from which to deduce the individual debits and credits, and when all these principles are familiar, there can never be the slightest difficulty in journalizing any transaction; the object and bearing of each entry must also be known at the same time.

Having shown that the theory of bookkeeping is a plan of arranging the accounts, Mr. Jones proceeds to teach that theory; not depending, however,

upon explanations, he puts into the hands of his pupils a succession of legers, each of which he requires them to analyze. They must show the state of each merchant's business, and describe the result of each speculation. These legers represent every conceivable position of a business, and from each of which the pupil draws off a balance sheet. He thus becomes master of every part of a ledger and its objects, after which, a regular course of business transactions are put into his hands, and he journalizes, posts, and closes them, without any help from his teacher. Surely the knowledge acquired in this way, must be an excellent substitute for a rule.

We close our extract with the following brief criticism :

" When a pupil is set to journalize, before he has studied any theory, the common practice of teachers and authors is, to explain the application of some infallible rule to each successive transaction, through the book. Our understanding may be unusually obtuse, but we must, nevertheless, risk the confession, that we cannot understand how a rule can be infallible, which the author himself dare not trust his pupil to use, but which he considers it necessary to *elucidate*, in every case to which he would apply it. The manner in which some of these authors are obliged to chop logic, in order to reduce all Dr. items to things owing, is highly amusing. The following is an example from a book entitled 'The Science of Double Entry, Book-keeping Simplified,' said to be used in the public schools of this city.

" 'Delivered our note to Henry Austen, at thirty days, in full for balance of account, for \$1,500.

Journal, — H. Austen, Dr.

To Bills Payable, \$1,500.

Elucidation. — Austen is debtor, because he owes us, we having paid him the amount that we owed him. Bills payable are creditor, because the note to which that name is given, has paid Austen for us, therefore we owe it.

Observe — It may appear absurd to some, to say that Austen, in the above transaction, owes us. It is nevertheless true, and is proved thus : — Before we paid him, we owed him \$1,500 ; after we paid him, he owes us \$1,500, if not, then we still owe him ; and as we do not still owe him, he must owe us that amount ; and by his owing us the \$1,500 which we owed to him, he and we are upon an equality, or the account between us is balanced.' "

Now instead of all this jargon, which is repeated with every transaction through the book, the following are the plain common sense reasons that would be given at once, by any one acquainted with the principles of the ledger, viz. Austen is Dr. because he has become accountable to us ; and bills payable is Cr. because we have issued a note.

Would any practical man suffer his son to discard all rational inquiry, and fill his head with such nonsense as we have quoted ? and is it possible that our public schools are teaching it

Such might be expected from attempts to simplify a science by discarding its principles ; with as much reason may we write a few rules to work a steam engine, and call it engineering simplified, and equally would such an attempt deserve our ridicule and contempt. The rule on which this simplification, or rather mistification, is founded, is as follows :

Whatever owes us, is Debtor.

Whatever we owe, is Creditor.

Now all we can see here is a definition of the two words Dr. and Cr., and is somewhat equivalent to telling us that

Whatever owes us, owes us,
and, Whatever we owe, we owe.

We cannot help thinking, however, that the couplet would be more justly appreciated when thus fairly translated into its whole meaning, viz.

Put all Drs. in the Dr. columns,
And all Crs. in the Cr. columns.

It is difficult to discover what other meaning is deducible from the rule. Upon the whole, our author might as well have said, make a ledger by comparing all the debtors to all the creditors; his students would then have appreciated their task.

It may be objected, that an unfair example of the ordinary mode of teaching has been chosen; that the objections advanced against this author apply to many others, in a less degree, is admitted; this book was selected as an example of the extreme absurdity to which such a principle will naturally carry a man whose intellect is too dull to be alarmed by the extravagance of his folly. Where such rules are used, founded on arbitrary words, absurdity must attend every attempt to explain their application, and if other authors have forbore to put such folly in print, they have left the pupil the task of committing it on his own account.

CHRONICLES OF COMMERCE.

MR. EDITOR,—In the last volume of the collections of the Massachusetts' Historical Society, published in 1838, there is a statement of the trade and commerce of Salem, in that state, in connexion with the town of Boston, in 1700, which is offered in an abridged form for the Merchant's Magazine. It may not impart that kind of intelligence to the merchant, which may lead to direct profitable results; but the statement will not, perhaps, be altogether without interest, by way of comparison with much later mercantile pursuits. The statement is contained in a letter from Mr. Higginson, of Salem, and a grandson of the first minister of that place, (who arrived there in 1629,) to his brother, then in the East Indies, who had made inquiries as to the state of trade in Massachusetts.

"What you propose of living in Boston, and managing a wholesale trade of East India goods, I approve of, as best for you. That is a place of great trade; and all the neighboring colonies are chiefly supplied from thence. All sorts of calicoes, aligers, remwalls, muslins, silks, for clothing and linings; all sorts of drugs proper for apothecaries, and all sorts of spice, are vendible with us; and the prices of these alter much, according as they are plenty or scarce. In the late war time, all East India goods were very dear. Muslins of the best sort, plain, striped, and flowered, were sold for £10. per piece, and some more; pepper 3s. per lb., nutmegs 10s. per lb., cloves 20s., mace 30s., but now are abated one quarter in value. Some of the China ware and toys, and lacquer ware, will sell well, but no great quantities. As for ambergris, we often have it from the West Indies, and it is sold for about 3s. per oz. For musk, bezoar, pearl, and diamonds, I believe some of them may sell well, but I understand not their value. Besides East India goods, you may do well to bring some European goods; of which, all things necessary for the comfort of man's life, and carrying on the fishing trade, will turn to good account.

"I am sorry to hear, that there are pirates in your parts, and fear that what you intimate of New York, Providence, and the West Indies, is too

true. F—— P—— of York, it is said, has had a *private* trade to Madagascar for nearly twenty years, and has acquired an estate of £100,000. The government of Massachusetts has always been severe with all such, and this time there are several in our gaol for piracy; namely, *Captain Kidd*, who went from England with a ship, and commission to take pirates, but turned pirate himself, and robbed many vessels in the East Indies, and thence came to the West Indies, and there disposed of much of his wealth, and at last came into these parts with some of his stolen goods; he has been seized, and some of his men and goods, who are in irons, and wait for a trial.* There was one B—— also, a Cambridge man, who sailed in an *interloper* for India, who took an opportunity, when the captain and some of the officers were on shore, to run away with the vessel, and coming on our coast, sunk the ship at Block Island, and brought much wealth ashore with them: but B——, and many of his men, and what of his wealth could be found, were seized and secured. It is reported the king has sent several ships to the East Indies, to secure those coasts; if so, I hope you will find a safe conveyance for England."

FOREIGN WEIGHTS AND MEASURES.

[This table is extracted from the third part of Emerson's North American Arithmetic, a work of sterling merit, and one which may be referred to in every counting room in the United States, with profit and advantage, for the thorough and able manner in which foreign weights, measures, and monies, are laid down, and the practical questions of Exchange handled. Indeed, Kelly, the celebrated British Cambist, speaking of this work, says, "no man who has any trade in the United States should be without it," and the commerce of our country being so extensive with the old world, the remark is equally applicable to us. As a knowledge of foreign weights and measures is of great practical importance to our merchants, and not uninteresting to the general reader, we have concluded to give the table entire, as it appeared, originally, in Mr. Emerson's Arithmetic, trusting that, although secured by copy right, he will excuse us, in consideration of our motive, and that he will not consider us as the "long, low, black schooner," carrying away his "*figure head*."]]

The weights and measures of GREAT BRITAIN are the same as those of the United States, excepting the variations which relate to the gallon. In the United States, the Dry gallon contains 268 4-5 cubic inches. By an act of the British government, however, the distinction between the Dry, Wine, and Beer gallon, was abolished in Great Britain, in 1826, and an *Imperial Gallon* was established, as well for liquids as for dry substances. The Imperial gallon must contain "10 pounds, Avoirdupois weight, of distilled water, weighed in air, at the temperature of 62° of Fahrenheit's thermometer, the barometer standing at 30 inches." This quantity of water will be found to measure 277.274 cubic inches. The same act establishes the *pound Troy* at 5760 grains, and the *pound Avoirdupois* at 7000 grains.

The weights and measures of FRANCE being more nicely adjusted than those of any other country, will be here given the more fully on that account. It is, however, to be observed, that these weights and measures are according to a *new system*, not yet in very common use.

The fundamental standard adopted in France for the metrical system of

* A few years before this period, on the report of a French pirate vessel on the coast, Captain Kidd was sent out from Boston to take it, but he turned pirate himself, and robbed many vessels in the West Indies and other parts.

weights and measures, is a quadrant of the meridian; that is to say, the distance from the equator to the north pole. This quadrant is divided into ten millions of equal parts, and one of these equal parts is called the **METRE**, which is adopted as the unit of length, and from which, by decimal multiplication and division, all other measures are derived.

In order to express the decimal proportions, the following vocabulary of names has been adopted.

For multipliers,

the word	<i>Deca</i>	prefixed, means	10 times.
"	<i>Hecto</i>	" "	100 times.
"	<i>Chilo</i>	" "	1000 times.
"	<i>Myria</i>	" "	10000 times.

For divisors,

the word	<i>Deci</i>	prefixed, expresses the	10th part.
"	<i>Centi</i>	" "	100th part.
"	<i>Milli</i>	" "	1000th part.

It may assist the memory to observe, that the terms for multiplying are Greek, and those for dividing, Latin.

Thus, *Deca-metre* means 10 Metres.

<i>Deci-metre</i>	"	10th part of a Metre.
<i>Hecto-metre</i>	"	100 Metres.
<i>Centi-metre</i>	"	100th part of a Metre, etc.

FRENCH LONG MEASURE.

The *Metre*, which is the unit of long measure, is equal to 39.371 English inches.

10 milli-metres	- -	= 1 centi-metre,
10 centi-metres	- -	= 1 deci-metre,
10 deci-metres	- -	= 1 METRE ,
10 Metres	- -	= 1 deca-metre,
10 deca-metres	- -	= 1 hecto-metre,
10 hecto-metres	- -	= 1 chilo-metre,
10 chilo-metres	- -	= 1 myria-metre.

FRENCH SQUARE MEASURE.

The *Are*, which is a square deca-metre, (or 100 square Metres,) is the unit of square or superficial measure, and is equal to 3.953 English square rods.

10 milliares	- -	= 1 centiare.
10 centiares	- -	= 1 deciare.
10 deciares	- -	= 1 ARE .
10 Ares	- -	= 1 decare.
10 decares	- -	= 1 hectare.
10 hectares	- -	= 1 chilare.
10 chilares	- -	= 1 myriare.

FRENCH MEASURES OF CAPACITY.

The *Litre*, which is the cube of a decimetre, is the unit of all liquid measures, and of all other measures of capacity. The Litre is equal to 61.028 English cubic inches.

10 millilitres	- -	= centilitre.
10 centilitres	- -	= 1 decilitre.

10 decilitres	- -	= 1 LITRE.
10 Litres	- -	= 1 decalitre.
10 decalitres	- -	= 1 hectolitre.
10 hectolitres	- -	= 1 chilolitre.
10 chilolitres	- -	= 1 myrialitre.

FRENCH SOLID MEASURE.

The *Stere*, which is a cube of the metre, is the unit of solid measure, that is used for fire-wood, stone, &c. The Stere is equal to 35.31714 English cubic feet; it is the same as the chilolitre in measures of capacity.

10 decisteres	- -	= 1 STERE.
10 Steres	- -	= 1 decastere.

FRENCH WEIGHTS.

The *Gramme*, which is the weight of a cubic centimetre of distilled water of the temperature of melting ice, is the unit of all weights. The Gramme is equal to 15.434 grains Troy,

A milligramme is 1000th part of a gramme,	=	Grains Troy. 0.0154
A centigramme is 100th part of a gramme,	=	0.1543
A decigramme is 10th part of a gramme,	=	1.5434
A GRAMME	=	15.4340
A decagramme is 10 grammes,	=	154.3400
A hectogramme is 100 grammes,	=	1543.4000
A chilogramme is 1000 grammes,	=	15434.0000
A myriagramme is 10000 grammes,	=	154340.0000

All the preceding French weights and measures are deduced from some decimal proportion of the *metre*. Thus, the chilogramme corresponds with the contents of a cubic vessel of pure water at the lowest temperature, the side of which vessel is the *tenth* part of the metre, (the decimetre,) and the gramme answers to the like contents of a cubic vessel, the side of which is the *hundredth* part of the metre, (the centimetre;) for the contents of all cubic vessels are to each other in the triplicate ratio of their sides.

100 lb. of HAMBURGH	= 106.8 lb. avoirdupois.
The ship fund is 280 lb.	= 299 lb. avoirdupois.
1 foot, Hamburgh	= 11.289 inches, U. S.
The Hamburgh ell is 2 feet	= 22.578 inches, U. S.
The Hamburgh mile	= 4.684 miles, U. S.
The fass of Hamburgh	= 1.494 bushels of U. S.
The last of grain is 60 fasses	= 89.64 bushels of U. S.
The ahm of Hamburgh	= 38.25 gallons, U. S.
100 lb. of AMSTERDAM	= 108.93 lb. avoirdupois.
4 shipfunds is 1 ship-pound	= 326.79 lb. avoirdupois.
The Amsterdam last	= 85 248 bushels, U. S.
The Aam (liquid)	= 41 gallons, U. S.
The Amsterdam foot	= 11.147 inches, U. S.
The ell of Amsterdam	= 27.0797 inches, U. S.
The ell of the Hague	= 27.333 inches, U. S.
The ell of Brabant	= 27.585 inches, U. S.
100 lb. of PORTUGAL	= 101.19 lb. avoirdupois.
An arroba is 32 pounds	= 32.38 lb. avoirdupois.
The moyo, a dry measure	= 23.03 bushels, U. S.
The almude, a liquid measure	= 4.37 gallons, U. S.
The pe, or foot, long measure	= 12.944 inches, U. S.
The palmo, or standard span	= 8.64 inches, U. S.
The vara is 5 palmos	= 43.2 inches, U. S.
The Portuguese mile	= 1.25 mile, U. S.

100 lb. of SPAIN	= 101.44 lb. avoirdupois.
The arroba of wine	= 4.245 gallons, U. S.
The fanega, 1-12 of a cahiz	= 1.599 bushels, U. S.
The Spanish standard foot	= 11.128 inches, U. S.
The vara, a cloth measure	= 33.384 inches, U. S.
The legua or league	= 4.291 miles, U. S.
100 lb. victualie, of SWEDEN	= 93.76 lb. avoirdupois.
The Swedish foot	= 11.634 inches, U. S.
The Swedish ell is 2 feet	= 23.368 inches, U. S.
The Swedish mile	= 6.64 miles, U. S.
The kann, (both dry and liquid)	= 159½ cubic inches, U. S.
100 kanns	= 69.09 gallons wine, U. S.
100 kanns	= 7.42 bushels, U. S.
100 lb. of RUSSIA	= 90.26 lb. avoirdupois.
400 lb. make 1 berquit	= 361.04 lb. avoirdupois.
A pood is 40 lb. Russian	= 36.1054 lb. avoirdupois.
A chetwert, a dry measure	= 5.952 bushels, U. S.
The vedro, a liquid measure	= 3.246 gallons, U. S.
The Russian inch	= 1 inch, U. S.
The Russian foot	= 13.75 inches, U. S.
The arsheen, a cloth measure	= 28 inches, U. S.
The sachine, or fathom	= 7 feet, U. S.
A werst, or Russian mile	= 3500 feet, U. S.
100 lb. of PRUSSIA	= 103.11 lb. avoirdupois.
The quintal is 110 lb.	= 113.421 lb. avoirdupois.
The scheffel, a dry measure	= 1.5594 bushel, U. S.
The eimer, a liquid measure	= 18.14 gallons, U. S.
The Prussian foot	= 12.356 inches, U. S.
The Prussian ell	= 26.256 inches, U. S.
The Prussian mile	= 4.68 miles, U. S.
100 lb. DENMARK	= 110.28 lb. avoirdupois.
The centner is 100 lb.	= 110.28 lb. avoirdupois.
The shippond is 320 lb.	= 352.896 lb.
The bbl. or toende, a dry measure	= 3.9472 bushels, U. S.
The viertel, a liquid measure	= 2.041 gallons, U. S.
The Danish or Rhineland foot	= 12.356 inches, U. S.
The Danish ell is 2 feet	= 24.712 inches, U. S.
The Danish mile	= 4.684 miles, U. S.
A cantaro grosso, NAPLES	= 196.5 lb. avoirdupois.
The cantaro piccolo	= 106 lb. avoirdupois.
The tomolo, a dry measure	= 1.451 bushels, U. S.
The carro is 36 tomoli	= 52.236 bushels, U. S.
The barile, a liquid measure	= 11 gallons, U. S.
The carro of wine is 24 barili	= 264 gallons, U. S.
The palmo, long measure	= 10.38 inches, U. S.
The canna is 8 palmi	= 83.04 inches, U. S.
100 lb. or libras, SICILY	= 70 lb. avoirdupois.
The cantaro grosso	= 192.5 lb. avoirdupois.
The cantaro sottile	= 175 lb. avoirdupois.
The salma grossa, a dry measure	= 9.77 bushels, U. S.
The salma generale	= 7.85 bushels, U. S.
The salma, a liquid measure	= 23.06 gallons, U. S.
The palmo, long measure	= 9.5 inches, U. S.
The canna is 8 palmi	= 76 inches, U. S.
100 lb. of LEGHORN	= 75 lb. avoirdupois.
The sacco, a dry measure	= 2 1-16 bushels, U. S.
The barile, a liquid measure	= 12 gallons, U. S.
155 braccia, cloth measure	= 100 yards, U. S.
The canna of 4 braccia	= 93 inches, U. S.
100 lb. peso grosso of GENOA	= 76.875 lb. avoirdupois.
100 lb. peso sottile	= 69.89 lb. avoirdupois.
The mina, a dry measure	= 3.426 bushels, U. S.
The mezzarola, a liquid measure	= 39.22 gallons, U. S.

The palmo, long measure	= 9.725 inches, U. S.
The braccio is 2½ palmi	= 22.692 inches, U. S.
100 lb. peso grosso, VENICE	= 105.18 lb. avoirdupois.
100 lb. peso sottile	= 66.4 lb. avoirdupois.
The stajo, a dry measure	= 2.27 bushels, U. S.
The maggio is 4 staja	= 9.08 bushels, U. S.
The bigoncia, liquid measure	= 34.2375 gallons, U. S.
The anfora is 4 bigonzi	= 136.95 gallons, U. S.
The braccio for woollens	= 26.61 inches, U. S.
The braccio for silks	= 24.8 inches, U. S.
The Venetian foot	= 13.68 inches, U. S.
100 lb. of TRIESTE	= 123.6 lb. avoirdupois.
The stajo, dry measure	= 2.344 bushels, U. S.
The orna, or eimer, liquid	= 14.94 gallons, U. S.
The ell for woollens	= 26.6 inches, U. S.
The ell for silks	= 25.2 inches, U. S.
The Austrian mile	= 4.6 miles, U. S.
100 lb. or libras, ROME	= 74.77 lb. avoirdupois.
The rubbio, dry measure	= 8.356 bushels, U. S.
The barile, liquid measure	= 15.409 gallons, U. S.
The Roman foot	= 11.72 inches, U. S.
The mercantile canna	= 78.34 inches, U. S.
The Roman mile	= 7.4 furlongs, U. S.
100 lb. or 100 rottoli, MALTA	= 174.5 lb. avoirdupois.
The salma, dry measure	= 8.221 bushels, U. S.
The foot of Malta	= 11½ inches, U. S.
The canna is 8 palmi	= 81.9 inches, U. S.
The cantaro, kintal, SMYRNA	= 129.48 lb. avoirdupois.
The oke or oka	= 2.833 lb. avoirdupois.
The killow, dry measure	= 1.456 bushels, U. S.
The pic, long measure	= 27 inches, U. S.
A factory maund of BENGAL	= 74½ lb. avoirdupois.
A bazar maund	= 82 2-15 lb. avoirdupois.
The haut or cubit	= 18 inches, U. S.
The guz	= 1 yard, U. S.
The coss or mile	= 1.238 miles, U. S.
The maund of BOMBAY	= 28 lb. avoirdupois.
The candy, is 20 maunds	= 560 lb. avoirdupois.
A bag of rice weighs 6 maunds	= 168 lb. avoirdupois.
The candy, dry measure	= 25 bushels, U. S.
The haut or coid	= 18 inches, U. S.
The maund of MADRAS	= 25 lb. avoirdupois.
The candy is 20 maunds	= 500 lb. avoirdupois.
The baruay, a Malabar weight	= 482.25 lb. avoirdupois.
The garee, dry measure	= 140 bushels, U. S.
The coid, long measure	= 18 inches, U. S.
The pecul of CANTON	= 133½ lb. avoirdupois.
The catty is 100th part of a pecul	= 1.333 lb. avoirdupois.
The coid or cobre, long measure	= 14.625 inches, U. S.
The pecul of JAPAN	= 130 lb. avoirdupois.
The catti is 100th part of a pecul	= 1.3 lb. avoirdupois.
The inc or tattamy, long measure	= 6.25 feet, U. S.
The bahar of BENCOOLEN	= 560 lb. avoirdupois.
The bamboo, liquid measure	= 1 gallon, U. S.
The coyang is 800 bamboos	= 800 gallons, U. S.
The bahar of ACHEEN	= 423.425 lb. avoirdupois.
The maund of rice	= 75 lb. avoirdupois.
The loxa of betel nuts	= 10,000 nuts.
The loxa of nuts (when good)	= 168 lb. avoirdupois.
The pecul of BATAVIA	= 135 10-16 lb. avoirdupois.
33 kannes, liquid measure	= 13 gallons, U. S.
The ell, long measure	= 27 inches, U. S.
The candy of COLOMBO	= 500 lb. avoirdupois.

NAVIGATION.

RECKLESSNESS OF HUMAN LIFE

Recklessness of life has been said to be a characteristic of the American people—a bold assertion, which we would fain discredit, but in all candor and honesty we cannot. So grave, so serious a charge, should be repelled at once, if it can be, and the escutcheon of our country cleansed of so foul a stain. Human life is not a thing to play chuck-farthing with, or to hazard idly: it is the property of the omnipotent, entrusted to mankind for a great purpose, and he who rashly or recklessly perils it, games with what is not his own. The suicide defrauds his creator, and his sacrificed existence is a solemn trust betrayed.

But infinitely greater is his turpitude, who is wantonly, and without reason, accessory to the loss of the lives of others! This consideration seldom occurs to a majority of our citizens, if the occurrence of so many maimings and murders by duels, quarrels, steamboat explosions, shipwrecks, etc. is the criterion by which we may judge. Must we not infer from this, that the public feeling in this country has become callous to the appalling frequency of careless, and too often wanton, destruction of life, fresh accounts of which daily teem in our public journals. The faculties of wonder and of horror seem to have grown hardened and impenetrable with our people, and we look, with equal indifference, upon a mercantile failure, a shipwreck, or a steamboat explosion, unless personally interested in the event.

That this morbid state of feeling is morally wrong, no one can doubt, and it must be a matter of the deepest regret to the philanthropist and christian. So long as this hardened feeling possesses us, just so long will our country be retarded in its progress to civilization.

Carelessness of human life is an insult to the God who gave it. And is there no way to stop the red and swelling current of murder which is gaining strength every day? (for surely all loss of life is murder, where there is an easy and available preventive.) Shall commanders of steamboats and sailing ships be allowed to make their voyages with unnecessary peril? Shall not every possible effort be used to ensure safety to the lives entrusted to their care?

We have been induced to make these remarks, by the fact that there is a culpable neglect on the part of a majority of our ship owners, to avail themselves of the labors of an American citizen, who has brought to perfection an invention, which, taking everything into consideration, is scarcely second to that of the immortal Fulton—we mean the life boat of Francis.

How frequently do we read the most distressing accounts of shipwrecks, and the sad tale of human life suddenly swept away, in many cases accompanied by the too often repeated remark, that from two to twenty men "were drowned by the swamping of the boat."

When it has been ascertained that the master or owner of a vessel have committed felony by wilfully wrecking such vessel in order to defraud the underwriters, we all know the odium which is ever after attached to such person's name. And the very men who look with holy horror upon such an act, will, voyage after voyage, send their ships to sea, with boats which are wholly unfit for any useful purpose in case of emergency; thus perilling, for the saving of a few dollars, the invaluable lives of the crew.

It would be easy to adduce multitudes of reasons why these superior life preservers should be adopted by every vessel in the navy and merchant service of our country; as they have already been eulogised and patronised by several foreign governments. But we only intend, by this article, simply to direct attention to the subject, and trust that those who have the management of our forests of ships, will no longer wickedly trifle with the lives of those who are accidentally or from necessity temporarily placed in their power.

In conclusion, we put this simple question to every ship-owner and master in the country, "Have you a single long boat under your control in which you would be willing to place *your* wife or children, and start them even in fine weather, from New York for Sandy Hook?" We know that in 49 cases in 50, the answer would be, "No."

MARCH OF STEAM.

In 1814, but one steamboat, of sixty-nine tons burthen, floated in solitude on the British waters. Now there are about six hundred, with a tonnage of 67,969. The first steamboat used for practical purposes in our country, or indeed in any part of the

world, was in 1807, on the Hudson river. She was built by Fulton, and called the "North River," with an engine of only eighteen horse power, and made the passage between New York and Albany in thirty-six hours. The whole number of steamboats ascertained and estimated to be now in the United States, is nearly nine hundred. The following table we have compiled from a statement of the Liverpool Statistical Society, published in the Liverpool Mail. It exhibits the number and increase of steam vessels belonging to the British Empire, (including the plantations,) from 1814 to 1836 inclusive.

Year.	No. Vessels.	Tonnage.	Year.	No. Vessels.	Tonnage.
1814	2	456	1826	243	28,958
1815	10	1,633	1827	275	32,490
1816	15	2,612	1828	293	32,032
1817	19	3,950	1829	304	32,283
1818	27	6,441	1830	315	33,444
1819	32	6,657	1831	347	37,445
1820	43	7,243	1832	380	41,669
1821	69	10,534	1833	415	45,017
1822	96	13,125	1834	462	50,736
1823	111	14,153	1835	538	60,520
1824	126	25,739	1836	600	67,969
1825	168	20,287			

PATENT SHEATHING.

A new kind of sheathing has been invented in England, and the manufacture of it commenced on an extensive scale. We find the following article relative to its manufacture, and the advantages of it, in an English paper :

"We feel bound to acknowledge the polite attention and the readiness to furnish information evinced by Mr. G. F. Muntz, (the patentee,) on the occasion of our visit, and although from the nature of the manufacture it is simple in its details, the advantages must be so apparent to the ship-owner, that any remarks we may make cannot be otherwise than acceptable to that wealthy and important class. The use of zinc is not only 'progressing,' but is likely to compete in the proportion of 40 to 60 with copper in the sheathing of vessels. The works are situated within a mile of the town of Swansea, immediately in the neighborhood of the copper works, and are at present capable of manufacturing a considerable quantity of sheathing and bolts — there being four pair of rollers, with the machinery necessary for drawing rods, worked by an engine of 54½ inch cylinder, 8½ feet stroke. The metal is a combination of copper and zinc, the best admixture being found to be 60 per cent. of the former and 40 per cent. of the latter. The metal is delivered on the works, and is then submitted in these proportions to the action of a reverberatory furnace, or melted in pots, from which it is cast in plates or bars, according to the object for which the metal is required, whether 'bolts' or 'sheathing.' It is subsequently submitted to heat, and when, as it appeared to us, of a 'cherry red,' is worked in the cylinder of rollers, or drawn out in rods. The process is in itself exceedingly simple, and affords little novelty to any one accustomed to the manufacture of iron.

"Many opinions have been advanced, and doubts expressed, of the advantages (if any) which this metal possessed, while its ductility was questioned, and its permanence only admitted when it had been submitted to the test of some years application.

"It is satisfactory to find that the results have fully realised the sanguine expectations of the patentee; one vessel having made three voyages to India without repairs being required, and another having been sheathed for the past five years with the 'yellow metal,' and now in good condition; while in the port of Swansea, at the present time, two Hamburg vessels, the Kate and Anna Louise, have adopted it. In the instance of the Kate, we take the words of the owner — 'He has effected a saving on a 400 ton vessel of full £80.' The difference in the price of copper and Muntz's (or yellow) metal sheathing, being three half pence per pound less, and the difference in the specific gravity eight to nine per cent. With respect to the bolts, we have it on the statements of the shipwrights employed, that they are far superior in driving to those of copper, as possessing more tenacity and firmness. Such are the advantages of the combination of the two metals — copper and zinc; and we may, therefore, hope, that with these advances in metallurgical science, we shall, whatever may be the influx of copper ores from foreign climes, be able still to look at home for our supply of mineral, which shall furnish employment to the population in our mining districts, but yield, as it has heretofore done, so considerable a proportion of our national wealth."

BETHELL'S PATENT DIVING APPARATUS.

The Bermuda Royal Gazette makes mention of the examination of the bottom, &c. of the American brig Exchange, Captain Brayton, which got on the rocks to the northward of the Bermudas. The machine used was "Bethell's Patent Diving Apparatus," and the singularity of the invention attracted crowds of persons to witness its operation.

The person who went down in the Apparatus was a shipwright of the name of Prattant — Mr. B. Oakshott, foreman of shipwrights of Her Majesty's Dock Yard, Ireland Island, superintending. The attention of such of the spectators as were near the vessel was first directed to the clothing of the diver, who, when perfectly equipped for his submarine exploration, presented a most grotesque figure. He was encased in a double or treble suit of woollens, from his shoulders down to, and including, his feet, to preserve warmth; then came a pair of trowsers that covered his feet, and a jacket, the sleeves of which came tight to his wrists, made of indian rubber, the trowsers and jacket being secured firmly around the waist by a padded iron girdle; on his feet were a pair of boots, each weighing eight pounds; on his back and breast he had two weights of about thirty pounds each, secured by straps; and over his head was a large helmet, made of metal, and resembling somewhat a human bust, that rested on his shoulders, back and chest, and which afforded room within for a sufficient quantity of air. In the helmet there were glasses through which the diver could plainly discern any thing at the bottom of the sea; a tube, through which a constant supply of fresh air was received from above, and by which the used air escaped. There was a large boat in attendance, in which were the force pump, and a derrick, (the latter of which being used to lift the diver from the bottom of the sea, for his own weight, and that put on him to keep him down, brought him to weigh about three hundred pounds,) while Mr. Oakshott and his assistants kept as nearly over the diver as possible, ready in case of accident to bring him up, which is done by a line attached to the girdle, and rove through the derrick; by this line also, signs are made by the diver, "when all is right," when more air is required, and when he wishes to be brought up.

Prattant was lowered down under the stern of the brig, on the starboard side, in about fourteen feet of water, where he commenced his examination; after being about twenty minutes under water, he was taken up from the larboard side under the stern; having completed his survey, the boat in attendance having tracked him round the vessel Prattant then, through the Superintendent, Mr. Oakshott, reported to the Surveyors and Agents of the vessel, in substance as follows: — the bottom and main keel perfect; the false keel slightly ragged on the edges, and one piece of sheathing, of about eight feet, off the larboard side of the false keel.

Prattant, it is said, can remain under water, should occasion require it, for upwards of an hour, and by letting go the weights attached to his breast and back, and by putting his finger on the valve or escape pipe, he will immediately rise to the surface; this mode of raising himself, however, is only adopted in extreme cases, the best way being to wait to be hauled up by the life line, which is attached to the girdle.

THE ESTABLISHMENT OF TWO NEW LIGHT-HOUSES ON THE FRENCH COAST.

The Department of State, at Washington, has received official information of the establishment of two new Light-Houses on the French Coast of the Manche, in the British Channel, viz.:

One at Cape Carteret, in the latitude of 49 degrees 22 minutes and 27 seconds north, and 4 degrees 8 minutes and 40 seconds longitude west from Paris. The light is a repeating light, at intervals of half a minute each, situated on a tower about 240 feet above the level of the sea, and 46 feet from the ground. It may be seen in fine weather at the distance of 18 miles; the eclipses will however be total only beyond 7 miles,

The other, on the central fort of the dyke at Cherbourg, in the latitude of 49 degrees 40 minutes and 28 seconds, and 3 degrees 57 minutes and 23 seconds longitude west from Paris; the light is a small light, varied by bright flashes, every three minutes, situated on a tower newly erected on the Central fort, about 65 feet above the water at high tide. It may be seen at the distance of about nine miles in ordinary weather.

NOTICE TO MARINERS.

Custom House, St. Mary's.—*Directions for St. Andrews Bar.*—St. Andrews Inlet lies in lat. 31 N. lon. 31 32, in the state of Georgia, entrance between Cumberland and Jekyl Islands, having 11 feet water on the bar at low tide; distance from the light house on Little Cumberland Island, north point, about 7 miles. There are three buoys for the entrance, one large buoy placed just within the bar in 3 fathoms low tide—one spar

buoy on a spit of the north point of little Cumberland Island, and one spar buoy in the middle of the sound on a shoal made at the mouth of the Great Satilla river. Bring the lighthouse to bear W by N when the outer buoy will be in a range with the light-house, and run for it till over the bar and up with the outer buoy; the south point of Jekyl will then be NW $\frac{1}{4}$ W; alter the course NW by W until between the points of Cumberland and Jekyl Islands, and abreast of the spar buoy off Cumberland point, leaving it to the south—where will be found good soundings, from three to five fathoms near the shore.

Tabular statement of the British Queen, Liverpool, and Great Western, as published in the London Morning Herald.

	British Queen.	Liverpool.	Great Western.
Extreme length.....	275 ft.	223 ft.	236 ft.
Length under deck.....	245 ft.	216 ft.	212 ft.
Length of keel.....	223 ft.	209 ft. 5 in.	205 ft.
Breadth within paddle boxes.....	37 ft. 6 in.	30 ft. 10 in.	35 ft. 4 in.
Breadth, including paddle boxes....	64 ft.	36 ft. 3 in.	59 ft. 8 in.
Depth at midships.....	29 ft. 6 in.	19 ft. 8 in.	23 ft. 2 in.
Tonnage.....	1863	1499 $\frac{1}{2}$	1340
Tons of space.....	1053	559 $\frac{1}{2}$	679 $\frac{1}{2}$
Tonnage of engine room.....	963	581	641 $\frac{1}{2}$
Horse power.....	500	468	450
Diameter of cylinder.....	5 ft. 11 $\frac{1}{2}$ in.	6 ft. 3 in.	6 ft. 1 $\frac{1}{2}$ in.
Length of stroke.....	7 ft.	7 ft.	7 ft.
Diameter of paddle wheels.....	30 ft.	28 ft. 5 in.	28 ft. 9 in.
Extreme weight of engines, boiler, and water.....	500 tons.	450 tons.	480 tons.
Extreme weight of coals.....	600 tons.	600 tons.	600 tons.
.. .. of cargo.....	500 tons.	250 tons.	250 tons.
Draught of water, with above weight and stores.....	16 ft.	16 ft. 6 in.	16 ft. 8 in.

COMMERCIAL REGULATIONS.

MERCANTILE REGULATIONS AT VENEZUELA.

Port Charges for Vessels arriving from the United States and other Countries, established by late Laws passed by the Congress of Venezuela.

The congress of Venezuela passed, 3d of May, 1839, a law establishing the following port charges, which is now in operation :

Article 1st. All national or foreign vessels arriving from foreign ports into the ports of Venezuela, will pay,

First—Tonnage-duty at the rate of 37 $\frac{1}{2}$ cents for every ton of the vessel's ad-measurement.

Second—Captain of the port's fee, which is \$3.

Third—Entry 7 cents per ton. (In the port of Laguira, besides the 7 cents per ton, 2 per cent. calculated on the amount of duties on imports will be exacted.)

Fourth—Doctor's fee, when the visit by him is really made, \$3.

Fifth—Anchorage duty 18 cents per ton.

Sixth—Pilotage to Angostura and Maracaybo, \$6 for every foot of the vessel's draught of water.

Seventh—Water duty—12 cents per ton.

Eighth—Clearance \$2.

Vessels exempt from the above are :

Vessels of war, national or foreign, government packets, and mail boats.

Vessels coming into port in consequence of damage sustained at sea, provided they neither discharge or take in cargo.

Vessels forced in by stress of weather, without discharging or taking in cargo.

Vessels arriving in ballast and departing in ballast.

Vessels coming in loaded and sailing again without discharging or taking in any cargo.

Vessels arriving in ballast and departing with cargoes of horned cattle (Gonado Vacuno) exclusively, will pay but pilotage and doctor's fee.

B. RENSHAW, Consul.

LAGUIRA, May 25th, 1839.

A law of the congress of Venezuela, passed on the 10th of May, 1839, to go into operation for vessels from the Antilles, on the 1st of July, and for vessels from Europe, and the United States, on the 1st of October, 1839.

Article 1st. Vessels arriving from foreign ports will, at the moment of anchoring in any of the ports of Venezuela, open to external commerce, be visited by the collector of customs, or a person authorized by him, and by the commandant of active service, (Resguardo,) and a chief, (Cabe,) as likewise an inspector—they will require from the master, the vessel's register and manifest of the cargo, which must express the vessel's name and class; her nation; tonnage; master's name; port from whence her cargo was shipped; the number and description of packages contained in her cargo, with a specification of their numbers and marks; the names of the consignees, according to bills of lading; the port of her destination; a list of provisions or stores for the consumption of the crew, as also a list of the extra supply of sail, sail cloth, cordage, spars and tackle of every description, intended for the use of the vessel. If a vessel arrive with cargo, one or more custom-house officers will be left on board: should she be in ballast, no manifest will be required, but all the other documents mentioned must be given up; she will also be examined to ascertain the reality of her being in ballast.

The articles of extra supply of sails, sail cloth, cordage, masts or spars, and tackle of every description, intended for the use of the vessel, must be considered as a deposit, and the master will not be permitted to make any use of them whatever, during the vessel's stay in port, unless with the knowledge and consent of the chiefs of the custom-house. When a vessel is visited previous to her commencing to take in a cargo, should the above mentioned articles of extra supply be found not to agree with the manifest or entry, (or at any other time subsequent to such visit,) the master will incur a fine of from fifty to five hundred dollars.

Article 2d. If, on a vessel anchoring and being visited, the master do not exhibit his manifest in the form directed in article 1st, he will then be required to deliver the bills of lading, as also a list of whatever articles or goods there may be on board, not included in said bills of lading, and these documents will be retained at the custom-house until the master make out and present a manifest in conformity with them, until which is done, no part of the cargo will be permitted to be landed.

Article 3d. In the case where neither manifest or bills of lading are found on board a vessel, the chiefs of the custom-house will then take such steps as in their judgment may seem necessary, and at the expense of the master, to prevent any part of the cargo being landed without permission from them.

Article 4th. When the cargo on board of any vessel does not agree with the manifest or bills of lading presented by the master, it will be seized and proceeded against for condemnation.

Article 5th. When in the case of a master of a vessel being unable, from insolvency, or other reason whatever, to pay the fine and expenses he may have incurred according to this law, the vessel and her tackle will then be made responsible for its payment.

B. RENSHAW, Consul.

LAGUIRA, May 25th, 1839.

CONSULATE U. S. A. }
ST. JOHNS, PORTO RICO, June 18, 1839. }

The undersigned, Consul of the United States for the port and district of St. Johns, Porto Rico, hereby cautions American captains and others engaged in trading to Spanish ports, to be careful in shipping on board of their vessels, natives of Spain or its dependencies, without the consent of the resident Spanish authorities, or unless they are naturalized citizens of the United States, as by so doing they render themselves liable to gross imposition.

The laws of Spain are such as not only to enforce, but make it obligatory upon the marine authorities to demand and enforce the discharge of all such persons, without any reference whatever to their individual obligations.

Vessels trading to these Islands via St. Thomas, are most liable to these impositions, and consequently to inconvenience and loss.

JOHN O. BRADFORD.

BANK STATISTICS.

CONDITION OF THE STATE BANKS.—In compliance with the resolution of Congress of the 10th of July, 1832, directing the Secretary of the Treasury (to whom we are indebted for a copy of the report) to lay before the House at the next and each successive session of Congress, copies of such statements or returns, showing the capital, circulation, discounts, specie, deposits, and condition of the different State Banks and Banking Companies, as may have been communicated to the legislatures, governors, or other officers of the several states, within the year, and made public; and, where such statements cannot be obtained, such other authentic information as will best supply the deficiency. The Secretary of the Treasury submitted, at the last session, a formidable volume of documentary matter, embracing the returns, reports, &c., from all the states and territories, except Connecticut, New Jersey, Delaware, Illinois, and Florida. They are not, in every instance, complete, but as a whole comprise much valuable information.

Condensed Statement of the condition, at different intervals, of all the Banks in the United States.

Statement of the condition of such Banks as have made returns, dated near May, 1838.

Total, Stocks, \$23,614,475—Total, other Investments, \$21,383,316.

Statement dated near January, 1839.—(Continued.)

State or Territory.	Date.	No. of Banks & Branches	Notes of other banks.	Specie.	Circulation.	Deposites.	Due to other Banks.
Maine.....	Jan.	50	\$267,577	\$303,605	\$2,036,640	\$818,824	\$117,974
N. Hampshire..	Dec.	28	128,816	187,961	1,510,691	522,036	.. ..
Vermont.....	Sept.	19	118,196	157,033	2,043,813	330,772	4,973
Massachusetts..	Oct.	110	2,359,387	2,394,621	9,400,412	7,122,642	3,526,686
Rhode Island...	Jan.	62	342,409	462,002	1,886,108	972,766	875,296
New York.....	Jan.	98	3,907,137	6,602,708	19,373,149	18,370,044	15,344,098
Pennsylvania...	Nov.	49	3,876,089	3,612,253	11,792,948	10,135,863	3,778,360
Maryland*.....	Jan.	15	1,230,603	1,372,008	2,897,695	3,469,904	2,090,485
Dist. Columbia.	Jan.	6	217,492	415,573	950,132	1,397,399	327,008
Virginia*.....	Jan.	25	709,359	2,270,367	8,015,418	2,999,589	1,068,776
N. Carolina....	Nov.	10	132,149	723,875	2,114,140	588,389	156,436
S. Carolina	Nov.	13	566,025	2,000,149	4,566,327	2,732,583	1,308,206
Georgia.....	Oct.	37	1,611,469	3,232,274	5,121,604	2,834,219	2,050,652
Alabama.....	Oct.	7	1,199,871	1,687,046	6,779,678	4,919,598	2,257,512
Louisiana.....	Dec.	47	1,723,244	3,987,697	6,280,558	7,657,161	8,119,708
Arkansas.....	Nov.	3	59,612	316,045	461,775	134,369	8,537
Tennessee.....	Jan.	14	1,191,067	802,369	1,930,040	649,215	348,746
Kentucky*.....	..	14	.. ..	1,613,383	5,418,320	.. ..	.. ..
Missouri.....	Dec.	2	593,550	691,070	671,950	1,101,638	481,972
Indiana.....	Nov.	11	155,813	1,345,832	2,951,795	490,617	269,905
Wisconsin.....	Jan.	2	.. ..	65,680	235,573	109,967	.. ..
Iowa.....	Dec.	1	18,874	3,033	10,990	3,686	.. ..
U. S. Bank, Pa.	Nov.	16	3,258,740	5,223,476	4,220,854	8,671,421	3,166,420
		639	23,667,659	39,470,063	100,670,640	76,032,702	45,301,750

Total, Specie Funds, \$3,603,739—Total, other Liabilities, \$50,236,361.

* Incomplete. Maryland: no returns from seven banks and two branches. Kentucky: returns embracing only loans and discounts, specie and circulation. No returns from Connecticut, New Jersey, Delaware, Mississippi, Illinois, Ohio, Michigan, and Florida.

Comparative View of the condition of all the Banks, near the commencement of each year, from 1836 to 1838.

	ACCORDING TO THE RETURNS NEAREST		
	Jan. 1, 1836.	Jan. 1, 1837.	Jan. 1, 1838.
Capital paid in.....	\$251,875,292	\$290,772,091	\$317,636,778
Loans and Discounts.....	457,506,080	525,115,702	485,631,687
Stocks.....	11,709,319	12,407,112	33,908,604
Real Estate.....	14,194,375	19,064,451	19,075,731
Other Investments.....	9,975,226	10,423,630	24,194,117
Due from other Banks.....	51,876,955	59,663,910	58,195,153
Notes of other Banks on hand.....	32,115,138	36,533,527	24,964,257
Specie Funds.....	4,800,076	5,366,500	904,006
Specie.....	40,019,594	37,915,340	35,184,112
Circulation.....	140,301,038	149,185,890	116,138,910
Deposites.....	115,104,440	127,397,185	84,691,184
Due other Banks.....	50,402,369	62,421,118	61,015,692
Other Liabilities.....	25,999,234	36,560,289	59,995,679
Aggregate of Bank Accounts.....	1,205,879,136	1,372,826,745	1,321,535,910
Aggregate of Investments supposed to yield income.....	493,385,000	567,010,895	561,760,319
Excess of such Investments above amount of capital paid in.....	241,409,708	276,238,804	243,180,261
Aggregate of Deposites and Circulation....	255,405,478	276,583,075	200,820,094

Comparative View of the condition of all the Banks.—(Continued.)

	ACCORDING TO THE RETURNS NEAREST		
	Jan. 1, 1836.	Jan. 1, 1837.	Jan. 1, 1838.
Aggregate of Deposites, Circulation, and sums due to other Banks	\$305,807,847	\$339,004,193	261,845,686
Aggregate of Specie, Specie Funds, Notes of other Banks, and sums due by other Banks	128,811,763	139,479,277	119,247,428
Excess of immediate liabilities beyond immediate means	176,996,084	199,524,916	142,598,258
Total of means of all kinds	622,196,763	706,490,172	704,358,577
Total of liabilities, exclusive of those to Stockholders	331,807,081	375,564,482	321,823,365
Total of liabilities of the Banks to one another	134,394,462	158,618,555	144,175,008
Total of liabilities to all, except other Banks and Stockholders	281,404,719	313,143,364	260,825,773
Net Circulation	108,185,900	112,652,363	91,174,653

STATE SECURITY BANKS.

A statement of the number of Banks formed under the General Banking Law of New York, the amount of securities deposited with the Comptroller, and the amount advanced to the Banks for circulation.

TREASURY NOTES.

Official statement from the Treasury Department, August 1, 1839, of the aggregate of Treasury Notes outstanding.

Amount issued under the provision of the act of October 12, 1837, viz.: - - - - -		\$10,000,000 00	
Of that issue there has been redeemed, - - - - -		9,627,105 46	
Leaving outstanding, - - - - -			\$372,894 54
In lieu of those redeemed there has been issued, un- der act of 21st May, 1838, - - - - -		\$5,709,810 01	
Of that issue there has been redeemed, - - - - -		4,776,450 42	
Leaving of that issue outstanding, - - - - -			933,359 59
Aggregate of first and second issues outstanding, The issues under the provisions of the act of the 2d of March, 1839, amount to - - - - -		\$3,857,276 21	\$1,306,254 13
Of that issue there has been redeemed, - - - - -		3,100 00	
			3,854,176 21
Making the aggregate of all outstanding, - - - - -			\$5,160,433 04

COMMERCIAL STATISTICS.

COMMERCE AND NAVIGATION OF THE UNITED STATES, FOR THE COMMERCIAL YEAR OF 1838.

We are indebted to the Secretary of the Treasury for a copy of the luminous report of that department, with the annual statement of the commerce and navigation of the United States, for the commercial year ending the 30th of September, 1838. This report is dated at the treasury department, May 18, 1839, and is made in conformity with the provisions of the act of Congress of the 10th of February, 1820, entitled, "an act to provide for obtaining accurate statements of the foreign commerce of the United States." It presents, in distinct tables, general and summary statements of the quantity and value of merchandise imported — of foreign merchandise exported — of domestic produce and manufactures exported — general statements of the quantity of American and foreign tonnage entered into the United States, and of the quantity of American and foreign tonnage cleared — a statement exhibiting the aggregate number of each description of foreign vessels, with their tonnage and the number of seamen, that entered into and cleared from the United States — a statement of the number of vessels which entered each district from, and cleared each district for, foreign countries — and a statistical view of the commerce and navigation of the United States, and of the commerce and navigation of each state and territory.

From this report we are enabled to condense and concentrate the following interesting statistical facts:

The value of imported merchandise from foreign countries was, free of duty, \$60,860,005; paying duties ad valorem, \$27,090,486; paying specific duties, \$25,766,919—Total, \$113,717,404: of this amount, \$103,087,448 was in American vessels, and \$10,629,956 in foreign vessels.

The exports of goods, wares, and merchandises, of the growth, produce, and manufacture of foreign countries, were, free of duty, \$7,986,411; paying duties ad valorem, \$2,518,329; paying specific duties, \$1,948,055—Total, \$12,452,795: in American vessels, \$9,964,200; in foreign vessels, \$2,488,595.

The exports of the goods, wares, and merchandise, of the growth, produce, and manufacture of the United States, were \$96,033,821; in American vessels, \$79,855,599; in foreign vessels, \$16,178,222. The domestic exports are classified: 1. Of the sea, \$3,175,576—2. the forest, \$5,200,499—3. agriculture, including animal and vegetable food, tobacco, cotton, and all other agricultural products, \$78,194,447—4. Manufactures, \$8,033,821.

The number of American and foreign vessels, which entered into the United States, was 9,775 vessels, with a tonnage of 1,895,084, with crews of men, 96,796, and 3,149 boys.

The number of American and foreign vessels, with their tonnage and crews, which cleared from the United States for foreign countries, was, vessels, 10,144; tons, 2,012,927; with crews of 99,489 men, and 3,018 boys.

The following table exhibits the number, tonnage, crews, and national character, of the foreign vessels that entered into and cleared from the United States during the commercial year of 1838:

FLAG.	FOREIGN VESSELS.							
	ENTERED.				CLEARED.			
	No.	Tons.	Crews.		No.	Tons.	Crews.	
			Men.	boys.			Men.	boys.
British.....	3,206	484,702	28,662	685	3,176	486,904	28,138	454
Hanoverian.....	2	466	31	..	4	813	42	..
French.....	76	20,574	1,013	25	82	21,849	1,082	23
Spanish.....	103	13,183	989	7	103	13,607	993	13
Swedish.....	35	3,695	407	3	44	11,542	498	4
Norwegian.....	3	728	34	..	5	1,174	55	..
Danish.....	23	3,447	202	2	29	4,765	257	4
Dutch.....	25	4,436	235	6	24	4,536	228	4
Hanseatic.....	127	37,538	1,673	15	136	39,636	1,754	8
Russian.....	5	1,430	68	3	5	1,604	68	..
Prussian.....	7	2,087	82	2	10	2,321	96	..
Austrian.....	7	2,452	109	..	10	3,382	125	..
Sicilian.....	14	3,113	168	8	14	3,083	175	..
Sardinian.....	7	1,709	89	2	7	1,542	85	3
Portuguese.....	7	1,152	67	4	9	1,302	91	..
Belgian.....	5	943	50	1	4	720	31	1
Neapolitan.....	..	..	..	..	1	227	14	..
Greek.....	..	..	..	..	1	305	18	..
Mexican.....	12	962	88	..	11	976	105	..
Texan.....	9	862	72	..	6	397	39	..
Colombian.....	5	848	41	..	2	358	16	..
Venezuelan.....	4	637	37	..	2	250	18	..
New Granadian.....	3	522	24	..	5	1,022	49	..
Buenos Ayrean.....	1	169	9	..	2	339	16	..
Haytian.....	9	1,459	87	..	11	1,512	105	..
Total.....	3,696	592,110	34,237	763	3,703	604,166	34,098	514

The registered tonnage of the United States, for the commercial year 1838, as corrected at the Register's office, is stated at 822,591 86-95 — the enrolled and licensed tonnage at 1,041,105 18-95 — and the fishing vessels at 131,942 71-95 — Making a total of 1,995,639 80-95 tons. Of the registered tonnage, 119,629 89-95 tons were employed in the whale fishery.

The total tonnage of shipping built in the United States during the year ending on the 30th of September, 1838, was, Registered, 41,859 56-95 — enrolled, 71,275 83-95 — Total, 113,135 44-95 tons.

The following table presents a condensed comparative statement of the commerce of each State and Territory, for the commercial year of 1838, commencing October 1st, 1837, and ending September 30th, 1838:

STATES AND TERRITORIES.	Value of Imports.	VALUE OF EXPORTS.		
		Domestic Produce.	Foreign Produce.	Total Value of Exports.
Maine	\$899,142	\$915,076	\$20,456	\$935,532
New Hampshire.....	169,985	56,103	18,567	74,670
Vermont.....	258,417	132,650	..	132,650
Massachusetts.....	13,300,925	6,158,529	2,946,333	9,104,862
Rhode Island.....	656,613	270,065	21,192	291,257
Connecticut.....	343,331	543,610	..	543,610
New York.....	68,453,206	16,432,333	6,576,138	23,008,471
New Jersey.....	1,700	28,010	..	28,010
Pennsylvania.....	9,360,731	2,481,543	995,608	3,477,151
Delaware.....	1,348	36,844	..	36,844
Maryland.....	5,701,869	4,165,168	359,407	4,524,575
District of Columbia.....	122,748	366,760	6,353	373,113
Virginia	577,142	3,977,895	8,333	3,986,228
North Carolina.....	290,405	544,952	271	545,223
South Carolina.....	2,318,791	11,017,391	24,679	11,042,070
Georgia.....	776,068	8,803,839	..	8,803,839
Alabama.....	524,548	9,688,049	195	9,688,244
Louisiana.....	9,496,808	30,077,534	1,424,714	31,502,248
Missouri.....	15,921	..	..	..
Tennessee.....	527	..	..	..
Kentucky	8,932	..	..	..
Ohio.....	12,895	139,827	..	139,827
Michigan.....	256,662	125,660	..	125,660
Florida Territory.....	168,690	71,983	50,549	122,532
Total.....	113,717,404	96,033,821	12,452,795	108,486,616

TONNAGE OF THE UNITED STATES.

A comparative View of the registered, enrolled, and licensed Tonnage of the United States, in tons and ninety-fifths, from 1815 to 1838, inclusive. From the Treasury Department, Register's Office, April 2d, 1839.

YEARS.	Registered Tonnage.	Enrolled and licensed Tonnage.	Total Tonnage.
1815.....	854,294 74	513,833 04	1,368,127 78
1816.....	800,759 63	571,458 85	1,372,218 53
1817.....	809,724 70	590,186 66	1,399,911 41
1818.....	606,088 64	609,095 51	1,225,184 20
1819.....	612,930 44	647,821 17	1,260,751 61
1820.....	619,047 53	661,118 66	1,280,166 24
1821.....	619,896 40	679,062 30	1,298,958 70
1822.....	628,150 41	696,548 71	1,324,699 17
1823.....	639,920 76	696,644 87	1,336,565 68
1824.....	669,972 60	719,190 37	1,389,163 02
1825.....	700,787 08	722,323 69	1,423,110 77
1826.....	739,978 15	796,211 68	1,534,190 83
1827.....	747,170 44	873,437 34	1,620,607 78
1828.....	812,619 37	928,772 50	1,741,391 87
1829.....	650,142 88	610,654 88	1,260,797 81
1830.....	576,475 33	615,310 10	1,191,776 43
1831.....	620,451 92	647,394 32	1,267,846 29
1832.....	686,980 77	752,460 39	1,439,450 21
1833.....	750,026 72	856,123 22	1,601,149 94
1834.....	857,438 42	901,468 67	1,758,907 14
1835.....	885,821 60	939,118 49	1,824,940 14
1836.....	897,774 51	984,328 14	1,892,102 65
1837.....	810,447 29	1,086,238 40	1,896,685 69
1838.....	822,591 86	1,173,047 89	1,995,639 80

COMMERCE OF MASSACHUSETTS, FROM 1789 TO 1838.

PRODUCE AND MANUFACTURES OF MASSACHUSETTS.

We received from the secretary of the commonwealth of Massachusetts, a voluminous pamphlet of 210 pages, containing an elaborate account of the products of various branches of industry in Massachusetts, prepared by John P. Bigelow, Esq. in accordance with an act of the legislature of the state. Mr. Bigelow has performed his arduous task in the most creditable manner, and the authentic exhibit which he has made of the

vast products and internal resources of Massachusetts, speaks volumes in praise of the intelligence and unwearied industry of her sons, and illustrates in a remarkable degree the triumphant success which is sure to attend judicious and persevering enterprise.

In relation to some articles manufactured in the State, no information is given, the Act not requiring it. The following table presents a condensed summary of the grand total, including the vessels built in the five preceding years; all the other articles named were manufactured or produced within one year. Deducting the vessels from the following statement, and allowing one fifth of the value set against them as the proper average for a single year, there will remain the sum of *eighty-six millions two hundred and eighty-two thousand six hundred and sixteen dollars*, as the value of the articles manufactured or produced by the several specified branches of industry during the year. The reader will find in the table a general result for the whole State, condensed from the detailed account, showing the value of the articles, the number of hands employed, and amount of capital invested.

<i>Articles manufactured or produced.</i>	<i>Value.</i>	<i>Hands employed.</i>	<i>Capital invested.</i>
Anchors, Chain Cables, &c.....	\$114,125	36	\$80,500
Axes, Scythes, Snaiths, &c.....	325,926	387	196,938
Beer, Bellows, Blacking, Boats, Bricks, &c.	152,321	273	55,300
Bonnets (Straw) and Palm-leaf Hats.....	1,902,803		
Books and Stationery, School Apparatus, &c.	1,048,140	1023	909,800
Boots and Shoes.....	14,642,520	39,068	
Brass and Copper.....	1,469,354	297	635,800
Britannia and Block Tin.....	66,300	59	7,000
Brushes, Brooms, and Baskets.....	289,512	350	103,095
Buttons, of all kinds.....	246,000	358	147,200
Candles (spermaceti and tallow) and Soap.....	1,620,730	266	697,300
Candlesticks, Playing Cards, Chocolate, Clocks, &c.	66,914	81	29,840
Cards (Wool).....	254,420	139	148,340
Carriages, Wagons, Sleighs, Harness, &c.....	679,442	945	278,790
Casks and Hoops.....	202,832	194	81,250
Chairs and Cabinet Ware.....	1,262,121	2,011	
Clothing, Neck Stocks, and Suspenders.....	2,013,316	3,939	780,158
Combs.....	268,500	444	
Cordage and Twine.....	481,441	439	285,375
Cotton Goods (Cloths).....	13,056,659	19,754	14,369,719
Cotton Batting, Thread, Warp, and Wicking....	169,221	151	78,000
Cotton Printing.....	4,183,121	1,660	1,539,000
Cutlery.....	186,200	193	92,033
Drugs, Medicines, and Dye Stuffs.....	371,019	97	98,995
Fishery, (Whale, Cod, and Mackerel).....	7,592,290	20,126	12,484,078
Fur Caps, and other manufactures of Fur.....	73,000	100	55,000
Gas.....	100,000	40	375,000
Glass.....	831,076	647	759,400
Glue.....	34,625	18	19,700
Gold and Silver Leaf.....	43,000	36	11,200
Gunpowder.....	246,357	77	160,800
Hats.....	698,086	867	
India Rubber.....	18,000	13	10,000
Iron Castings, Bar and Rod, &c.....	1,658,670	1,311	1,516,025
Jewellery, Silver, and Silver Plate.....	325,500	207	161,550
Lead Manufactures.....	201,400	43	6,400
Leather, including Morocco.....	3,254,416	1,798	2,033,423
Looking Glasses.....	165,500	58	61,600
Lumber, Shingles, and Staves.....	167,778	121	27,750
Machinery, of various kinds.....	1,235,390	1,399	1,146,775
Muskets, Rifles, Pistols, Swords, &c.....	288,800	394	65,943
Nails, Brads, and Tacks.....	2,527,095	1,095	1,974,000
Oil (refined Whale and other Oil).....	3,030,321	145	1,133,500
Organs and Piano Fortes.....	324,200	239	172,000
Paper.....	1,544,230	1,173	1,167,700
Ploughs.....	54,561	73	

Saddles, Trunks, and Whips.....	\$351,575	758	\$109,825
Salt.....	246,059	708	801,753
Shovels, Spades, Forks, and Hoes.....	264,709	284	225,523
Silk.....	56,150	125	137,000
Spectacles, Starch, Stone, and Earthenware.....	35,560	47	20,974
Spirits.....	1,238,789		
Stone, (Granite, Marble, Slate, and Soap-stone) ..	680,782	1,177	209,950
Stoves and Stove-pipe.....	31,000	13	11,815
Sugar, (Refined).....	976,454	92	303,653
Snuff and Cigars.....	184,601	396	33,300
Tin Ware.....	394,322	377	
Tools, (Carpenters', Joiners', and Shoemakers') ..	258,531	279	110,807
Types and Stereotypes.....	157,000	215	140,000
Umbrellas.....	104,500	136	56,500
Upholstery, including Hair, Paper Hangings, &c.	55,483	86	13,160
Vessels built in the five years preceding April, 1837.	6,853,248	2,834	
Varnish and Beeswax.....	52,600	8	9,000
Window Blinds, Sashes, and Doors.....	74,166	93	8,350
Wire.....	84,770	53	44,200
Wooden Ware, including Packing Boxes, &c....	174,692	313	26,950
Wool.....	539,689		2,842,778
Woollen Goods.....	10,399,807	7,097	5,770,750
Engravings, Essences, Hosiery, Lamp-black, Ma- thematical Instruments, Mustard, Razor Straps, Lather Boxes, Pumps, Blocks, &c.....	63,466	117	19,078
Total.....	91,765,216	117,352	54,851,643

Comparative view of the imports and exports of Cotton into and from the United Kingdom of Great Britain and Ireland, from January 1, to July 20, 1839, and of imports and exports for the same period last year.

INTO THE KINGDOM, 1839.

American.....	bags 642,681
South American.....	73,912
West Indies, Demarara, &c.....	4,200
East Indies.....	33,070
Egypt.....	20,825

Total of all descriptions.....bags 774,688

Same period last year.

American.....	bags 934,846
South American.....	87,080
West Indies, Demarara, &c.....	3,374
East Indies.....	41,639
Egypt.....	23,484
	1,090,441

Decrease of imports, as compared with the same period last year.....bags 315,753

EXPORTS IN 1838.

American.....	bags 10,068
Brazil.....	4,049
East Indies.....	9,205
Other kinds.....	none.
Total in 1839.....	23,322
Same period in 1838.....	51,756
Taken on speculation this year.....	bales 211,090
.. .. in 1838.....	85,600
Decrease of imports this year, compared with the same date in 1838.....	276,175
Increase of stock.....	19,170
Decrease of quantity taken for consumption.....	190,390
Decrease of quantity taken for export.....	9,790

VALUE OF FOREIGN COINS.

VALUE OF THE FIVE FRANC PIECE.

Table showing the Value of any number of Five Franc pieces, from one to one hundred, at ninety-three cents each, as established by act of Congress.

No.	Value.	No.	Value.	No.	Value.	No.	Value.
1	\$0 93	26	\$24 18	51	\$47 43	76	\$70 68
2	1 86	27	25 11	52	48 36	77	71 61
3	2 79	28	26 04	53	49 29	78	72 54
4	3 72	29	26 97	54	50 22	79	73 47
5	4 65	30	27 90	55	51 15	80	74 40
6	5 58	31	28 83	56	52 08	81	75 33
7	6 51	32	29 76	57	53 01	82	76 26
8	7 44	33	30 69	58	53 94	83	77 19
9	8 37	34	31 62	59	54 87	84	78 12
10	9 30	35	32 55	60	55 80	85	79 05
11	10 23	36	33 48	61	56 73	86	79 98
12	11 16	37	34 41	62	57 66	87	80 91
13	12 09	38	35 34	63	58 59	88	81 84
14	13 02	39	36 27	64	59 52	89	82 77
15	13 95	40	37 20	65	60 45	90	83 70
16	14 88	41	38 13	66	61 38	91	84 63
17	15 81	42	39 06	67	62 31	92	85 56
18	16 74	43	39 99	68	63 24	93	86 49
19	17 67	44	40 92	69	64 17	94	87 42
20	18 60	45	41 85	70	65 10	95	88 35
21	19 53	46	42 78	71	66 03	96	89 28
22	20 46	47	43 71	72	66 96	97	90 21
23	21 39	48	44 64	73	67 89	98	91 14
24	22 22	49	45 57	74	68 82	99	92 07
25	23 25	50	46 50	75	69 75	100	93 00

VALUE OF THE SOVEREIGN.

Table showing the Value of any number of Sovereigns, from one to one hundred, at \$4 85 each, the rate at which they are received and paid out by the banks. Large amounts are regulated by weight, valuing the pennyweight at 94.8 cents, as established by the Act of Congress.

No.	Value.	No.	Value.	No.	Value.	No.	Value.
1	\$4 85	26	\$126 10	51	\$247 35	76	\$368 60
2	9 70	27	130 95	52	253 20	77	373 45
3	14 55	28	135 80	53	252 05	78	378 30
4	19 40	29	140 65	54	261 90	79	383 15
5	24 25	30	145 50	55	266 75	80	388 00
6	29 10	31	150 35	56	271 60	81	392 85
7	33 95	32	155 20	57	276 45	82	397 70
8	38 80	33	160 05	58	281 30	83	402 55
9	43 65	34	164 90	59	286 15	84	407 40
10	48 50	35	169 75	60	291 00	85	412 25
11	53 35	36	174 60	61	295 85	86	417 10
12	58 20	37	179 45	62	300 70	87	421 95
13	63 05	38	184 30	63	305 55	88	426 80
14	67 90	39	189 15	64	310 40	89	431 65
15	72 75	40	194 00	65	315 25	90	436 50
16	77 60	41	198 85	66	320 10	91	441 35
17	82 45	42	203 70	67	324 95	92	446 20
18	87 30	43	208 55	68	329 80	93	451 05
19	92 15	44	213 40	69	334 65	94	455 90
20	97 00	45	218 25	70	339 50	95	460 75
21	101 85	46	223 10	71	344 35	96	465 60
22	106 70	47	227 95	72	349 20	97	470 45
23	111 55	48	232 80	73	354 05	98	475 30
24	116 40	49	237 65	74	358 90	99	480 15
25	121 25	50	242 50	75	363 75	100	485 00

MISCELLANEOUS STATISTICS.

Table of Distances on the Ohio and Mississippi rivers, from Pittsburg, Pennsylvania, to the Falls of St. Anthony, on the upper Mississippi.

	Miles.	Total.
Pittsburg, Pa., to Wheeling, Va.....	96	
Marietta, Ohio.....	83	178
Portsmouth, Ohio.....	178	356
Cincinnati, Ohio.....	105	461
Louisville, Ky.....	132	593
Evansville, Iowa.....	200	783
Mouth of Ohio.....	194	984
St. Louis, Mo.....	250	1237
Total to St. Louis, 1237 miles.		
St. Louis, to mouth of Missouri.....	18	
Alton, Ill.....	6	24
Hamburgh, Ill.....	15	39
Clarksville, Mo.....	60	99
Louisiana, Mo.....	12	111
Hannibal, Mo.....	30	141
Marion City, Mo.....	10	151
Quincy, Ill.....	10	161
La Grange, Mo.....	12	173
Tully, Mo.....	8	181
Warsaw, Ill.....	20	201
Keokuk, W. T., (foot of Des Moines Rapids).....	5	206
Montrose, W. T. (head of Des Moines Rapids).....	15	221
Commerce, Ill.....	1	222
Fort Madison, W. T.....	10	232
Burlington, W. T.....	20	252
Oquawka, (Yellow Banks).....	15	267
Mouth of Iowa.....	15	282
Mouth of Pine River.....	35	317
Mouth of Rock River.....	10	327
Stevenson, Ill.....	8	335
Rock Island.....	2	337
Canaan, (head of Upper Rapids).....	18	355
New Philadelphia, W. T.....	40	395
Savana, W. T.....	20	415
Smithville, Ill.....	10	425
Bellview, W. T.....	6	431
Mouth of Fever River.....	6	437
Galena, Ill.....	8	445
Du Buque, W. T.....	30	475
Cassville.....	30	505
Prairie la Porte.....	8	513
Prairie du Chien.....	22	535
Falls of St. Anthony, about.....	265	800

Total to St. Anthony Falls, 800 miles.

Total from Pittsburg to St. Anthony Falls, 2037 miles.

The price of passage on the Mississippi and Ohio rivers is about three dollars per hundred miles for long distances, and four to five cents per mile, for short distances. Deck passengers one dollar per hundred miles. The usual speed of the boats are six miles an hour up stream, and from ten to twelve down.

STATISTICS OF COTTON.

A writer in the Mobile Journal, under the signature of "Cotton Plant," sets down the entire growth of cotton in the world at 1,000,000,000. Of this, 550,000,000 are supposed to be grown in the United States — 30 in Brazil — 8 in the West Indies — 27 in Egypt — 36 in the west of Africa — 190 in the west of Asia — 35 in Mexico and S. America, except Brazil — and 14 millions elsewhere.

Thus, at ten cents per pound, (a price below which it has rarely ever fallen,) this crop is worth one hundred million dollars. For the last 50 years, however, the value (though often fluctuating suddenly and widely) has averaged 19½. At this price, the present growth of the world is worth one hundred and ninety-two million five hundred thousand dollars.

Of this about 350 millions of pounds are consumed and manufactured in England — about 150 millions in the United States — 80 in France — 250 in China and India — 15 in South America and Mexico, including Brazil — 35 in Germany — 45 in Turkey and Africa — 10 in Spain — 25 in Prussia — and the remainder elsewhere.

The value of cotton manufactures in England, is believed to be annually about one hundred and seventy millions of dollars — in France, seventy millions — in the United States, sixty millions.

The capital employed in manufacturing by machinery is estimated, in England, at two hundred millions of dollars — in France, at one hundred and twenty millions — in the United States, at one hundred and ten millions.

The consumption in manufactures of raw cotton in all Europe, in 1803, was estimated at only sixty millions of pounds. The whole consumption in Europe, in 1830, was about 387 millions of pounds. In 1838, it is believed to be nearly 500 millions of pounds.

South Carolina and Georgia were the first states in this union to grow cotton to any considerable extent; in 1791, two millions of pounds were grown in the union — 1½ million of which grew in South Carolina, and half a million in Georgia.

In 1801, 40 millions was the crop of the United States — of which 20 millions grew in South Carolina, 10 in Georgia, 5 in Virginia, 4 in North Carolina, and 1 in Tennessee.

In 1811, the crop of the United States had reached 80,000,000 — of which 40 grew in South Carolina, 20 in Georgia, 8 in Virginia, 7 in North Carolina, 3 in Tennessee, and 2 in Louisiana.

In 1821, one hundred and seventy millions of pounds were growing in the Union, as follows: — 50 millions in South Carolina, 45 in Georgia, 20 in Tennessee, 20 in Alabama, 12 in Virginia, 10 in North Carolina, 10 in Louisiana, and 10 in Mississippi.

In 1826 the whole crop of the Union was 348 1-2 millions. Of this, Georgia grew 75 millions, South Carolina 70, Tennessee 45, Alabama 45, Louisiana 38, Mississippi 20, Virginia 25, North Carolina 10, Florida 2, and Arkansas 1-2 of a million.

In 1833, the crops of the United States had increased to 437 3-4 millions. Of this, 88 millions grew in Georgia, 73 in South Carolina, 70 in Mississippi, 65 in Alabama, 55 in Louisiana, 50 in Tennessee, 15 in Florida, 13 in Virginia, 10 in North Carolina, and 3-4 in Arkansas.

The next year, 1834, the crops had increased to 457 1-2 millions, and was grown as follows — 85 in Mississippi, 85 in Alabama, 75 in Georgia, 65 1-2 in South Carolina, 62 in Louisiana, 45 in Tennessee, 20 in Florida, 10 in Virginia, 9 1-2 in North Carolina, and 1-2 in Arkansas.

Subsequently, no certain data are in our possession, but the estimate at this time is 550 millions as the whole crop of the union.

Thus it will be seen, that from 1791 to 1826, South Carolina was the most abundant cotton growing state in the Union. In 1826, Georgia took the lead, and held it till 1834, when Alabama and Mississippi took the front rank. At this time, Mississippi is perhaps the most extensive cotton growing state in the Union — South Carolina and Alabama are next. — North Carolina is beginning to deteriorate as a cotton country; while the worn lands in middle Tennessee are thought to improve for this culture — maturity, the vital desideratum, not being so easily allowed in the rank luxuriance of the fresher soils.

TOBACCO.

The Tobacco crop of the United States will amount this year, it is estimated, to 115,000 hogsheads. Last year it only reached 72,000 hogsheads, viz.:

<i>Crop of 1838.</i>		<i>Crop of 1839.</i>	
In Virginia.....	26,000	In Virginia.....	45,000
Kentucky.....	27,000	Kentucky.....	35,000
Maryland.....	16,000	Maryland.....	16,000
Ohio.....	3,000	Ohio.....	4,000
	<hr/> 72,000		<hr/> 115,000

WOOL AND WOOLLEN MANUFACTURES.

The quantity of Wool imported into the United Kingdom of Great Britain and Ireland in the year ended January 5, 1839, was 52,505,490 lbs.; of which there came from Russia, 3,769,102 lbs.; Germany, 27,506,282 lbs.; Spain, 1,814,877 lbs.; Italy, 1,785,894 lbs.; East India Company's territories, 1,897,266 lbs.; New South Wales, 5,323,411 lbs.; Van Dieman's Land, 2,490,292 lbs.; States of Rio de la Plata, 1,109,639 lbs.; and Peru, 2,304,088 lbs.; Denmark, Prussia, Holland, Belgium, Turkey, Portugal, Morocco, Cape of Good Hope, Chili, &c. contributed smaller quantities than those enumerated. The total produce in British settlements was 10,039,934 lbs. The quantity required for home consumption was 53,818,597 lbs.; the quantity re-exported was 1,897,860 lbs.—1,225,339 going into Belgium; and the quantity warehoused under bond, on January 5, 1839, was 4,017,610 lbs. The declared value of British woollen manufactures exported amounted to £5,795,069, and of yarn, £3,085,892.

EXPORTS OF COTTON YARN AND MANUFACTURED GOODS.

The quantity of cotton yarn exported from the United Kingdom of Great Britain, in the first six months of 1838, was 53,273,467 lbs.; and the quantity in the first six months of 1839 was 37,239,615 lbs.; decrease 16,033,852 lbs. or about *thirty* per cent. Decrease in the export to Holland, of 5,435,093 lbs.; to Naples and Sicily, of 2,086,813 lbs.; to Russia, of 2,432,438 lbs.; to India and China, of 2,154,100 lbs.; to Trieste, Venice, and Austrian ports, 924,120 lbs.; to Turkey and the Levant, 579,730 lbs. There would seem to have been a small increase (115,556 lbs.) to British North America, and a decrease to the United States, of 252,759 lbs. being about *five sixths* of the whole quantity exported thither. The stock of cotton in Great Britain, on the 28th June last, was estimated at 657,889 bags, equal to the consumption of 32½ weeks, if only 20,000 bags are consumed weekly during the year. Although the price of American cotton was nearly 2d. per pound higher on the 1st of July last than at the corresponding date of last year, the average prices of yarn are now rather below those of that period.

TRADE OF THE UNITED KINGDOM.

The official returns which have just been made public, relative to the trade of the United Kingdom, show, that the value of imports into the United Kingdom in 1838, as per official valuation, was £61,268,300, being an increase of £6,500,000 over the imports of 1837—8. The increase of the exports of the produce and manufactures of the United Kingdom has been from £72,548,047 to £92,450,231, or very nearly 20,000,000. According to returns, the real or declared value of the produce and manufactures of the United Kingdom shipped off in the year ending on the 5th of January, 1839, was £50,060,970, or about £8,000,000 more than the exports of 1838. The new vessels built last year in the United Kingdom, amounted to 1490, of the tonnage of 270,290 tons.

STATISTICS OF THE PRESS.

The following information respecting the number of newspapers, magazines, and periodicals, published in the United States on the 1st July, 1839, is derived from returns made to the General Post Office at Washington, and published in the *Globe*:

Maine	41	Georgia	33
New Hampshire	26	Florida Territory	9
Vermont	31	Alabama	34
Massachusetts [at Boston, 65]	124	Mississippi	36
Rhode Island	14	Louisiana [at New Orleans, 10]	26
Connecticut	31	Arkansas	4
New York [at New York city, 71]	274	Tennessee	50
New Jersey	39	Kentucky	31
Maryland [at Baltimore, 20]	48	Ohio [at Cincinnati, 27]	164
Pennsylvania [at Philadelphia, 71]	253	Michigan	31
Delaware	3	Wisconsin Territory	5
Dist. Columbia [at Washington, 11]	16	Iowa Territory	3
Virginia [at Richmond, 10]	52	Indiana	69
North Carolina	30	Illinois	33
South Carolina	20	Missouri	25

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Of the above, 116 are published daily, 14 tri-weekly, 39 semi-weekly, 991 once a week. The remainder are issued semi-monthly, monthly, and quarterly, principally maga-

zines and reviews. Many of the daily papers also issue tri-weeklies, semi-weeklies, and weeklies. Thirty-eight are in the German language, four in the French, and one in the Spanish. Several of the New Orleans papers are printed in French and English.

BANK OF ENGLAND.

Quarterly Average of the Weekly Liabilities and Assets of the Bank of England, from the 30th of April, to the 23d of July, 1839, both inclusive, published pursuant to Act 3 and 4 William IV., cap. 98.

LIABILITIES.		ASSETS.	
Circulation.....	£18,049,000	Securities.....	£24,905,000
Deposits.....	7,955,000	Bullion.....	3,785,000
	<u>£26,004,000</u>		<u>£28,690,000</u>

Downing street, July 25, 1839.

As compared with the last, the above return exhibits a decrease in the amount of bullion of £559,000, in that of the securities to the extent of £29,000, and in that of the circulation to the extent of £52,000; while the deposits have been increased by £302,000.

MERCANTILE MISCELLANIES.

BOSTON MERCANTILE LIBRARY ASSOCIATION.

This important association will celebrate their nineteenth anniversary on the 16th instant, when an address will be delivered by the Hon. Rufus Choate, and a poem by a member of the society. We are pleased to hear of the prosperous condition of the institution; and hope that a suitable building will be erected, on the plan of the Clinton Hall of this city, with lecture and reading rooms attached to the library. Such a building is much needed in Boston, and the mercantile community there should supply the deficiency, and thereby confer an inestimable benefit upon the rising generation.

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CINCINNATI MERCANTILE LIBRARY ASSOCIATION.

From the annual report of the Cincinnati Mercantile Library Association, we gather the following interesting facts. During the past year, the receipts were \$1293 38, and the expenditures \$1218. There are 480 members, of whom 320 are active, 114 honorary, and 45 life members; 140 new members have been added during the past year. The library contains 1343 volumes, of which 184 were added in 1838. Fourteen volumes, upon an average, were withdrawn daily, or about 5000 throughout the year. The Institution appears to be in a flourishing condition.

MERCANTILE LIBRARY COMPANY OF PHILADELPHIA.

The annual report of this institution represents the society enjoying an increasing prosperity. The debts of the company have been entirely extinguished. The number of books purchased during the last year is 394, making the whole number of volumes in the library 5077. It is suggested, and very properly too we think, that the society hereafter adopt the plan so successfully pursued by the New York Mercantile Library Association, of giving courses of Lectures during the winter months. The following remark, which we particularly commend to the young, we extract from the

report. "The business of the counting house may be diligently attended to, and may result in the possession of wealth, beyond the possibility of enjoyment; but this alone will leave an aching void in the breast, for there are capacities for happiness, which the most rapid accumulation of property cannot fill."

M'CULLOCH'S DICTIONARY OF COMMERCE.

The reputation of this work is so well established, that either praise or censure from us could not be expected to effect it. Our object in writing this notice, is to call the attention of our readers to the American edition, edited by Professor Vethake, now in course of publication by Thomas Wardle, Philadelphia, and George Adlard, New York. The work will be completed in ten parts, (the third is now before us,) and forms two royal octavo volumes, printed in the best style, and on good paper. This edition will contain much important matter, not to be found in any other; as, for example, articles from the pen of the editor on banks, canals, coals, cotton, railroads, &c.

MANUFACTURE OF SAGO.

We are indebted to our successor, the Rev. John L. Sibley, in the conduct of the "American Magazine of Useful and Entertaining Knowledge," for the following valuable communication, descriptive of the manufacture of that important article of commerce, Sago. It is contained in a letter addressed to Mr. Sibley by a gentleman residing at Singapore. It will, we think, prove interesting at this time, as it has recently been found a valuable substitute for flour.

Raw sago is the pith of a tree of the Palm family (*Metroxylon Sagu.*) The tree being cut down, the exterior bark is removed, and the heart of it, a soft, white, spongy, and mealy substance, is gathered; and, for the purpose of distant transportation, it is put into conical bags made of the leaves of plantain trees and neatly tied up. In that state it is called by the Malays *sangoo tampin*, or bundles of sago; each bundle weighs about thirty pounds.

On its arrival at Singapore, it is purchased by the Chinese manufacturers of sago, and is treated in the following manner. Upon being carried to the manufactory, the plantain leaf covering is removed, and the raw sago, imparting a strong acid odor, is bruised, and is put into large tubs of cold spring water, where it undergoes a process of purification by being stirred, suffered to repose, and again restirred in newly introduced water. When well purified thus, it is taken out of the tubs by means of small vessels; and being mixed with a great deal of water, the liquid is gently poured upon a large and slightly inclined trough, about ten inches in height and width; and in the descent towards the depressed end, the sago is deposited in the bottom of the trough, whilst the water flows into another large tub, where what may remain of sago is finally deposited. As the strata of deposited sago increases in the trough, small pieces of slats are adjusted to its lower end to prevent the escape of the substance. When by this pouring process the trough becomes quite full of sago, it is then removed to make room for a fresh one, whilst the former one is put out into the air, under cover, for a short time, and on its being well dried, the sago within is cut into square pieces and taken out to be thoroughly dried under cover, to protect it from the sun. It has then lost the acid smell already noticed, and has become quite white. After one day's drying thus, it is taken into what may be called the manufactory,—a long shed, open in front and on one side, and closed at the other and in the rear. Here the lumps of sago are broken up and are reduced into an impalpable flour, which is passed through a sieve. The lumps which are retained by the sieve are put back to be rebruised, whilst that portion which has passed is gathered and is put into a long cloth bag, the gathered ends of which, like those of a hammock, are attached to a pole, which pole being suspended to a beam of the building by a rope, one end of it is sharply thrown forward with a particular jerk, by means of which the sago within is shortly granulated very fine, and becomes what is technically called *pearled*. It is then taken out, and is put into iron vessels, called here *quallies*, for the purpose of being dried. These *quallies* are small elliptical pans, and resemble in form the sugar-boilers of the West-Indies or Louisiana, and would each hold about five gallons of fluid. They are set a little inclining, and in a range, over a line of furnaces, each one having its own fire. Before putting in the sago to be dried, a cloth, which contains a small quantity of hog's fat or some oily substance, is quickly passed into the qually and the sago is equally quickly put into it, and a Chinese laborer who attends it, commences stirring it with a *pallit*, and thus continues his labor during the few minutes necessary to expel the moisture contained in the substance. Thus each qually, containing about ten pounds of sago, requires the attend-

ance of a man. The sago, on being taken off the fire, is spread out to cool on large tables, after which, it is fit to be packed into boxes or put into bags for shipment; and it is known in commerce under the name of *pearl sago*.

Thus the labor of fifteen or twenty men is required to do that which, with the aid of simple machinery, might be done much better by three or four laborers. A water wheel would both work a stirring machine, and cause an inclined cylinder to revolve over a fire for the purpose of drying the sago, in the manner used for corn meal and flour. But the Chinese have no idea of substituting artificial means, when manual ones are obtainable.

IMPROVEMENT IN THE MANUFACTURE OF SUGAR.

Mr. L. J. McCormick, of Baton Rouge, (La.) has invented an improvement in the manufacture of sugar, which cannot fail to be of great advantage to planters. By this invention, one cord of wood alone is sufficient to manufacture one hogshead (1,000 lbs.) of sugar; which is less than one third of the fuel now consumed to produce the same result. Mr. McCormick says naively enough, "To establish this invention, I must be remunerated in some way; and if the sugar planters have not the liberality and enterprise to pay for its establishment on their plantations, they may have the firmness to risk a few thousand dollars in a bet that it will not succeed."

BEET SUGAR IN MICHIGAN.

It appears by an article in the *Genesee Farmer*, that the people of Michigan are more extensively engaged in the beet sugar business, than any other part of the Union. Several companies have been formed for the purpose, which have planted large quantities of beets, and some wealthy individuals are planting largely on their own account. The Hon. Lucius Lyon, of Ionia county, came to Rochester a short time since, and purchased at the seed store in that city, over three hundred pounds of sugar beet seed, together with machines for sowing and cultivating them. Mr. L. stated that he intended to plant one hundred and fifty acres of beets, and to erect suitable buildings and apparatus for an extensive sugar manufactory. He expressed the fullest confidence in the success of the enterprise, and has sent to France for an experienced workman to superintend the business.

NATIVE GOLD.

Among the many varieties of minerals which abound in Missouri, says the *St. Louis Republican*, we now have incontestible evidence of the existence of gold. We have seen a lump of native gold, which was found on the farm of Mr. Bacon, on the waters of the Merrimac, about thirty miles from St. Louis. The lump was turned up where he was ploughing, and was about half the size of a hen's egg. The piece shown to us was a part of the large lump. It had been assayed by one or more of the gentlemen of the Western Academy of Natural Science, and pronounced to be about seventeen carats fine. We are told that a number of lumps of the same kind have, at different times, been picked up in that neighborhood, but no one knowing what metal it was, it has heretofore elicited very little attention. We are not informed whether the indications are such as to justify the expectation that it exists in large quantities. We presume, from its having been found in several places, that there will yet be more important discoveries made.

LEGHORN STRAW.

The *Bulletin des Sciences* states, that M. Fournier, of Geneva, visited Florence in 1823, and made inquiries respecting the bearded wheat of Tuscany. He says this wheat is cultivated both for bread, and for the manufacture of straw braid; in some parts of the valley of the Arno, between Pisa and Florence, it is cultivated for the straw only. The seed is sown very thick in poor, stony land; when the grain has grown to the height of a few inches, it is mown, that the stalks may be more delicate; if they are still too large they are mown again, and if necessary, two or three times more; when the stems are sufficiently fine, they are suffered to grow, and as soon as the plants are in blossom, the grain being yet in the milk, they are pulled up; they are then exposed to the sun upon the sand near the river, and watered from time to time. After the straw has acquired a proper color, it is carefully assorted according to the fineness and length of the stalk. The only part used for fine braid, is that which extends from the head to

near the first joint; the part between the first and third joints is reserved for common braids. M. Fournier presented samples of the straw, unprepared, to Mr. Salisbury of England.

BANKS IN SOUTH AMERICA.

A citizen of the United States has obtained a charter from the Republic of Ecuador, for a bank, the principal branch of which is to be established at Guayaquil. The chief provisions of the charter are as follows:

The bank is to be one of discount and deposit. The capital, five hundred thousand dollars, to be paid in the coin of the Republic, and to remain constantly in the bank.

The bank may issue bills, payable in specie at sight, to twice the amount of the capital. No bill to be issued for less than ten dollars, under penalty of forfeiting their charter. These bills shall not be held as legal tender in payment of debts. The government may receive them in payment of duties, but will not compel its creditors to receive them.

The bank shall lend to no individual, at one time, more than ten thousand dollars. It shall hold no property, other than the banking house.

It shall not be concerned, directly or indirectly, in any commercial transactions, other than the purchase of bills of exchange, foreign and domestic, under the penalty of forfeiting its charter.

The bank may demand nine per cent. interest upon its loans, and no more. No officer or director of the bank shall borrow from it more than five thousand dollars at any one time.

The charter shall continue for ten years, revocable at the pleasure of the government.

The bank shall receive in deposit all funds of the government, and pay them out, free of charge.

LOSS OF BANK NOTES.

The old Bank of the United States was chartered in 1791, and in active operation for twenty years. Its circulation never exceeded twenty millions. In 1823, by decree of court, the trustees of the Bank were released from any obligations to redeem outstanding bills, as twelve years had elapsed from the expiration of the charter; and notice, by public advertisements, had been widely spread for seven years. The notes then unredeemed amounted to two hundred and five thousand dollars. A fund of five thousand dollars was reserved for instances of peculiar hardship; but the whole amount presented does not much exceed eleven hundred dollars to the present time, of which the greater part was in the hands of an invalid revolutionary soldier, and liquidated in 1825. A note of ten dollars, however, was redeemed a short time since.

The result of the note account of the second Bank of the United States cannot be known for some years. An estimate was made by the government in fixing the price of the seven millions of stock sold to the Bank, but the amount was, of course, a matter of mere speculation.

DAILY VALUE OF SUNSHINE.

The value of the agricultural products of the United States cannot be less than \$500,000,000 annually. The perfection of this is depending on the weather of four months, June, July, August, and September, or about 120 days. Every one knows that without sunshine the crops would be a failure either partially or totally; and hence we can estimate its average value at about *four millions of dollars daily*. There can be no doubt, that, considering the nature of the previous weather, the beautiful days preceding the 20th of July, added from ten to fifteen millions daily to the value of our agricultural products; yet, like many other good things, the very commonness of this invaluable and powerful agent, causes it to be overlooked. Without sunshine, the earth would soon become another chaos, destitute of order, "without form and void."

LOUISIANA TOBACCO TRADE.

The largest cargo of tobacco ever shipped at New Orleans was that of the ship *Rialto* for London, the 26th ult. with 659 hogsheads, valued at New Orleans at near 200,000 dollars.

INCREASE OF FLOUR.

At one of our great flour marts, Richmond, Va. near 240,000 barrels and half barrels had been inspected the year ending June 30, exceeding we believe the amount of any preceding year.

HUNT'S MERCHANTS' MAGAZINE.

No. IV.

OCTOBER, 1839.

ART. I. — WHAT CONSTITUTES A MERCHANT.*

WHILE the labor of the mechanic moulders or decays after him, the title of merchant is sounded for ages. Cities may be swept to the outline of their foundation; but, their merchants are kept in remembrance. Whole nations will war to protect a single merchant: for he carries the honor of his country at the mast of his vessel. His success is the success of that country; and his insolvency causes the firmest institutions of his own land to tremble. The ocean seems to rejoice with the freight of his ships; the winds lend him their breath; the iron appears to have become magnetic for him; his mere cipher is known and respected thousands of miles away; he has been called the steward of the world's stock; while the virtues of the earth are supposed to guide and to sustain him.

Even the gentler part of his household have, in monarchies, shone with a brilliancy that caused envy to arise in the heart of queens. Jane of France, wife of Philip the Fair, while residing a few days at Bruges, was mortified at the splendor of the merchants' wives: "I thought," said she, "I had been the only queen here; but I find there are above six hundred queens in this city!"

And who has not read of the Hanseatic league, whereby the merchant withstood the exaction of nobles, and rescued the sea from pirates? By industry and fidelity, the merchants, under this league, could run their cables almost round the world. Alas for them that they became warlike, and neglected the peaceable pursuit of commerce. It destroyed them and their many ships; and the time came when, to use the quaint language of the period, "most of their teeth were out, and the rest loose." Yet in the history of the world, there is not a more extraordinary example of what industry, with a strict union of interests for effecting a great purpose, can do, than was performed by the man of commerce under the league.

* A Lecture read before the Mercantile Library Association of New-York, by CHARLES EDWARDS, Esq. and now first published in the Merchants' Magazine, by request of the Board of Directors.

All nations take special knowledge of the law merchant; and the common and statute law of more countries than one, leave the causes of merchants, in many cases, to their own peculiar code. The custom of merchants is even a part of the common law, of which judges must take notice; and if any doubt arise about the custom, they may send for merchants to know it.

The Magna Charta of England, (as strong a sheet-anchor as our declaration of Independence,) makes special provision for the safety of the stranger-merchant. And it is not a little singular, that it should have found its way there; for Magna Charta is a mere interior treaty between a King and his natural-born subjects. However, so it is: and this gives Montesquieu the chance of saying that the English had made the protection of foreign merchants one of the articles of their national liberty, and shows how much they value those three great advantages, religion, liberty, and commerce.

And it does the heart good to recur to instances of mercantile character; and to observe upon proofs of the respect which countries have paid to the merchant.

The tact and generosity of an English merchant, Thomas Sutton, is said to have materially aided in the defeat of the Spanish Armada, and thereby saved British liberty from torture and thumb screws.

A fear of the power of merchants stopped Charles V. from establishing the inquisition in Antwerp; while a merchant of that city lent this king a million of money, and, at an entertainment which he gave him, burnt the bond in a fire of cinnamon—at that time a most costly spice.

A merchant of France raised an army at his own expense; and lent millions to his country. A Georgian of low birth was able, by the quiet acts of commerce, to obtain an immense revenue, and to keep 6000 troops in his pay. His doors were always open, he was beloved by his brother merchants, and known for his deep and various learning.

Russia, with all her extent of land, was as nothing, until that half Goth, Peter, surnamed by his countrymen the Great, promoted the advancement of commerce. He gave his personal attention to the building of ships, training of seamen, opening of harbors, and the establishment of ports.

Our own country, though young in her commercial relations, can already show what may be gained by the merchant. Girard has raised his own monument; Irving has deemed the enterprise of a merchant a fitting theme; while the furnace of the present time will bring out the refined gold of mercantile character, and make it a subject for future history. Nor does it matter from what source a merchant gains his greatness.

Cities subsist by the manufacture of such slight articles as ribands. Denmark, in ancient days, gained her mercantile riches merely through her sale of herrings—all nations resorted to her, and brought precious commodities, and gold and silver, in exchange for these common fish. It is wonderful, too how a single article may, through the facilities of the merchant, increase in the market, and almost sink or sustain the balance of trade between commercial countries. In the year 1785, the import of cotton wool into England, from America, was only 5 bags; in 1786, 6 bags; in 1789, 108 bags; while in the years 1834 and 1835, the crops were, 1,254,328 bags. In the latter year, England and Scotland together, consumed 18,348 bags a week. The quantity of cotton wool exported by this country during 1835, amounted to 370,194,184 lbs., valued at the places of exportation at \$16,435,746. Since the year 1792, the increase in the exportation of this staple from the United States, has been nearly 2,000 fold.

With such power in commerce, and such examples before him, the young man, who is looking towards merchandise for his future good, must naturally desire to gain the title of Merchant. What, then, constitutes a Merchant? A word, nevertheless, here, upon the idea which persons at times attach to the mercantile man. They lose sight of the broad space over which he carries his thoughts and property, and fancy his intellect to be as confined as his counting room. Taking one example, let us listen to the prejudices of Dr. Johnson. "At breakfast," says his entertaining jackall, Boswell, "I asked, what is the reason that we are angry at a trader's having opulence?" "Why, sir," said Johnson, "the reason is (though I don't undertake to prove there is a reason) we see no qualities in trade that should entitle a man to superiority. We are not angry at a soldier's getting riches, because we see that he possesses qualities which we have not. If a man returns from a battle, having lost one hand, and with the other full of gold, we feel that he deserves the gold; but we cannot think that a fellow sitting all day at a desk is entitled to get above us." "But," responded Boswell, "may we not suppose a merchant to be a man of an enlarged mind, such as Addison in the *Spectator* describes Sir Andrew Freeport to have been?" "Why, sir," retorted Johnson, "we may suppose any fictitious character. We may suppose a philosophical day laborer, who is happy in reflecting that, by his labor, he contributes to the fertility of the earth and the support of his fellow creatures; but we find no such philosophical day laborer. A merchant may, perhaps, be a man of an enlarged mind; but there is nothing in trade connected with an enlarged mind." Johnson is too well known at the present day to require a comment upon remarks hazarded for effect. He who could say that Americans ought to be thankful for anything allowed them "*short of hanging*," will not have much weight with my hearers.

There are, also, persons who would sacrifice the merchant for the agriculturist; and consider the latter as all in all. However, gentlemen, the genius of a country who looks to her fields alone, sits like a poor shepherdess upon the mountains, who is content at seeing the waves of the surrounding ocean fashioned into white lambs, and the billows rise like her cattle in anger. The true genius will, with the glance of thought, see how that ocean is panting for the productions of the earth. Such an one proves to be a Minerva, who can and will cast aside her warlike emblems, to place the first vessel upon the sea, and encourage every Jason of her country to steer fearlessly for the golden fleece. The agriculturist bears no comparison to the merchant. Those persons who have lived in or visited maritime cities, must, at once, acknowledge this. The merchant can "stand as one upon a rock, surrounded by a wilderness of sea." The farmer must have his rich pasture, a kind climate, and seed to sow. He has to wait for hay time and harvest: the merchant casts his bread upon the waters at all seasons. There is as much difference between them as between an inventor and a mere working man. It is true that Sully looked to the industry of the countryman as the only source of wealth. "Tillage and pasturage," it was a favorite saying of his, "are the two breasts by which France is nourished, the real treasures of Peru." It is likewise true that Sully seriously checked national industry by not encouraging manufactures and commerce.

Trade has this power over agriculture: it increases the wealth of a nation without the labor of producing or fabricating a single article. This is done through fearlessly carrying the dead stock of the agriculturist and planter to places where such stock is not produced. Trade is the foster mother of agri-

culture. The man of the country may feel himself a priest of nature: but gentleness and a love of the beautiful are also found in a maritime city. Philosophy can move around our wharves as well as repose under a tree. Nature may be studied amongst us, (although she may be discovered with more difficulty;) and I

“ ——— rather would entreat thy company,
To view the wonders of the world abroad,
Than, living dully sluggardized at home,
Wear yourself out in shapeless idleness.”

The only advantage the farmer possibly can possess, is in a selfish quiet of mind — letting his thoughts merely

“ Hang on each leaf, and cling to every bough.”

But who is this being we are upholding? My young friends are by this time asking: how can I compass this character? When will it be my lot to rank as a merchant? Even now I can buy, and I can sell. Yet varied excellence is not mine. What must I do to deserve the title? — *What constitutes a Merchant?*

Our merchant, then, possesses **DECISION OF CHARACTER**. His mind may be allowed to vibrate, for that the needle does; yet, like the needle, it will still be constant. If a youth find his disposition vacillating; if he let “I dare not,” wait upon “I would” — then we bid him not go where merchants most do congregate; he must keep his foot from the floor of the Exchange, and not let his ventures be squandered abroad. He should move in a narrower sphere, where his virtues may still be recognised, and his anxieties not be over-stretched. Many a youth has made his fortune by determination of mind, while more have marred their prospects from a want of it. No man can conduct a great and honorable traffic who has it not. He who is without decision of character, makes a bad debt and a doubtful bargain; and the motto of the merchants for centuries has been, “better a loss at sea, than a bad debt on land.” His desire of rising will be checked by an idea of falling. He fears the battle before the trumpet has sounded. He will be apt to say with Sir Walter Raleigh:

“ Fain would I climb, but that I fear to fall;”

While we would answer with Elizabeth:

“ If thy heart fail thee, climb thou not at all.”

Such an one cannot succeed, but he will bring himself down to exclaim, “ The thorns which I have reaped, are of the tree I planted. They have torn me, and I bleed.”

He who has decision of character does not inquire whether an act be right. He feels it is; and knowing, will pursue, and must attain the profitable end. He is prompt and firm; the billow stays him not — even in its stormiest hour; nor can the wintry gulfs be barriers, for he has confidence without obstinacy, and constancy of purpose under all circumstances. When the friends of Pompey attempted to dissuade him from hazarding his life on a tempestuous sea, in order to be at Rome on an important occasion, this man of decision said: “ It is necessary for me to go: it is *not* necessary for me to live.”

And let our friend come to his labor with a **CHEERFUL DISPOSITION**: for it helps wonderfully in making a good bargain. A cheerful disposition, says Hume, is worth ten thousand a year. With decision of character and

a cheerful disposition, our merchant will be enabled to ward off envy and hatred; and we bid him not flatter himself that they will keep away, for, as it has been prettily said, envy and hatred did not spare Fenelon.

There is, then, an **AMBITION** belonging to our merchant. I speak not of that ambition which destroyed Woolsey: for that was the ambition of an unbounded stomach—nor the ambition that weighed down Milton's angels: for it was mingled with envy—nor the ambition of Cæsar: for it smacked of dominion—but, the ambition which, as Bacon hath it, "maketh men active, earnest, full of alacrity, and stirring,"—in fine—a desire to accomplish a name which shall rate like a ship of the first class; be sounded with honesty in distant marts; give to his bill of exchange the currency of the world, and to his merchandise the highest price and the best consideration. This is a laudable ambition: for it can only be obtained through years of active intelligent business and unbending integrity. John Ludwig, a Saxon peasant, was dismissed from school, when he was a child, after four years' ineffectual struggle to learn the ordinary rules of arithmetic. He had been, during the time, beaten and scolded in vain. He spent several subsequent years in common labor, but, at length, some accidental circumstances excited his ambition; and he became expert in all the common rules, and mastered the rule of three and fractions, by the help of an old school book, in the course of one year. He afterwards, without assistance, overcame geometry, and raised himself, by the force of ambition rightly directed, from obscurity to fame. Here we have a fair illustration of a laudable ambition.

The virtue of **TRUTH** never leaves a merchant. A price current will, with him, have the honesty of an oath, without the necessity of one: and a deposition at the custom house is considered a solemn declaration. The false entry and short measure are only known in the vocabulary of the knave—they are not to be found in any mercantile compendium. Nor will I grant my gentleman the benefit of the whitest lie that Mrs. Opie may have illustrated.

It is needless to point out all the fruits of knowledge the merchant enjoys. Still he must be a **RIPE AND GOOD SCHOLAR**. He knows not from what part of the world consignments may come; nor who may be his correspondents. Yet he is ready with knowledge to handle any peculiar article, and converse with or write to every intelligent consignor. The Senate of his country may, at a few hours warning, call upon him to attend and give information upon matters of national importance; a court of justice will want his experience; the great Lord Mansfield—great must he be in the respect of the merchant, for he built up the beautiful system of commercial law—was in the habit of consulting with merchants when he had doubts in mercantile trials. In a reported case, upon adjustment, he is made to say: "as I expected the other cause would be tried, I thought a good deal about the point, and endeavored to get what assistance I could, by conversing with some gentlemen of experience in adjustments." At the social board, our merchant has to meet the well informed of other lands; a ship at the Narrows is in jeopardy, and he has got to act and to advise in a moment of storm, and in a matter of wreck; merchandize is injuring in the warehouse or in a dark hold, and his information and action must check the ravage—all this, and much more, must the merchant meet, go through with, overcome, and bring to his own end, and to the advantage of those who, in absence, rely upon him.

Nor would we have our young merchant lose his time upon so many works of fancy, as I regret to say, fill up, not ornament, the shelves of the Mercantile

Association. Poetry, and Romance may be playthings, but never become playmates. The novel-reader seldom turns out a follower of philosophy; nor is the lover of poetry often a man of business. I am aware of the fascination around romance, and how much the time of youth is the period of poesy. A wizard, too, has produced works that have enchanted the old and the new hemisphere; and though that wizard now sleeps beneath the ruins of Dryburgh Abbey, in Scotland, yet his spells remain. However, Knights of old gained more by destroying or breaking through the enchantment, than in going into fairy palaces. Bunyan's pilgrim found difficulties in passing worldly enticements, and getting to the top of the delectable mountains: but when he had arrived there, prudence, piety, and charity, caused him plainly to see the bright city in the distance.

It is a healthy reader we require. He must break the rock for the garnet, dig deep for the gold, and sift it well when found; move up the hill to the very source of the spring, and not be satisfied with the flower upon the surface of the ground.

Nor let our subject for a moment fancy he can gain all he wants from outward business; and even if he could, he would lose the enjoyment arising from study. "Who so valueth," says an ancient author, "the fruit he buyeth of the stall woman in a market, as that which his own hand hath gathered after great pains, and, it may be, peril encountered in the search?" Nor shall he say, "I can learn of my employers:" for he is to understand that, through books, he learns from many employers—he thus comes at the skilful result of many masters. Nor will wholesome reading be otherwise than beneficial. "The same age," says an historian, "which produces great philosophers and politicians, renowned generals and poets, usually abounds with skilful weavers and ship chandlers. We cannot reasonably expect that a piece of woollen cloth will be wrought to perfection in a nation which is ignorant of astronomy, or where ethics are neglected."

And then, for ARITHMETIC AND FIGURES in general. Our merchant not only knows that 2 and 2 make 4; but he has, in all honesty, to let his accounts show it, notwithstanding Swift, in his wit, chooses to say, that in the arithmetic of the custom house 2 and 2 do not make 4.

To keep good books (not merely honest ones) is a first virtue. They form the only true balance by which to find the quantum of riches, the quantity of business, and the amount of loss. There is no occasion, as in days of old, to weigh the shekels of silver in cumbrous scales: for not only the value of these, but dealings with all the world, may be compressed into a sheet of ruled paper—into a smaller space than any mechanical screw could force them; and yet, having a harmony more perfect than musical notes, and as true, in results, as the ends of the Deity. Edgeworth calls arithmetic "that useful, essential branch of knowledge, without which neither the abstract sciences nor practical arts can be taught."

A readiness at figures produces confidence, and adds prudence to the moral standard. It gave the good but unfortunate De Witt a higher character. Perhaps no man ever applied algebra to all matters of trade so nicely as he did. He had a pocket book full of tables, and was ever ready to show how his country could be furnished with money. After his death, one of the persons appointed to scrutinize his books and papers, was asked what had been found in them; he replied, "What could we have found? Nothing but honesty and virtue."

"Merchants," says Roger North, "are infinitely curious in the fairness,

regularity, and justice of their books, which they esteem as authentic registers, concerning not only themselves, but all other persons that they have had dealings with, or may derive interests thereupon; and to such books appeals are commonly made, for they are or ought to be the truth, whole truth, and nothing but the truth, of all that is done and disposed in a method, videlicet, by waste, journal, and leger, the most exquisite for repertory and use that the wit of man, with utmost application, has been able to frame."

Even the law, with all its severity, under certain circumstances, respects and admits the books of a merchant as evidence of what may be owing to him, provided he can first prove he keeps correct accounts. Great ends may be obtained by a perseverance in figures.

And, as allied to this, we may speak of **MECHANICS AND GEOMETRY**. The merchant's mere wharf or pier cannot be laid without a practical use of mechanics, depending upon geometrical principles; for he has to guard against the pressure of earth and of water. But mathematics will require his best attention. "If a child be bird-witted," says Lord Bacon, "that is, hath not the faculty of attention, the mathematics giveth a remedy thereunto; for in them, if the wit be caught away but for a moment, one is to begin anew." A knowledge of geometry will lead our boy-merchant to the science of navigation, and then the course of his ships, the conduct of their captains, and the correctness of the log book, may be tested; while the science of mechanics will tell him how to cut great bars of iron with the same ease he would separate a willow wand, allow him to stamp sullen metal with as much facility as he can impress his seal upon the letter of business, cause him to draw ashore and launch again great ships as lightly as the ancient Briton moved his coracle, and tell him how to lift coal and ore from the mines without a stifling of his breath. The merchant must be mechanical. He cannot possibly do without even the ordinary mechanical powers. He every day requires the firm foot of the lever; his crane is made of the wheel and the axis; and, by the inclined plane, he causes an unbroken line for the transmission of his goods over hill and valley. In truth, gentlemen, your true merchant will seize upon the whole range of **NATURAL AND EXPERIMENTAL PHILOSOPHY**. In Hydrostatics, which includes the hydrometer, he finds that cup of Tantalus, the cyphon; the diving bell, of which the world will hear more; the beautiful action of pumps; and the water press, whereby a single man can bring light goods into twenty times less compass than they were originally — thus allowing a vessel to carry twenty times more packages than it could without the means of the water press. Then, there are the laws of motion, and the steam engine; and who, in this land of a Fulton's labors, where the steam paddle was invented, where this mighty power, the steam engine, every where "wields its large limbs, and nodding shakes the earth," and where the noble steam boat — like a creature of freedom — moves with the force of a leviathan, yet guided by a child's strength — who will dare to be ignorant of the parts and the usefulness of the steam engine?

And here, a word by the bye: how often have the most wonderful and useful discoveries been accidental. Thus, the invention of the steam engine is fairly claimed by Captain Thomas Savary. He was led to it by the following incident: Having drank a flask of Florentine wine at a tavern, and thrown the flask on the fire, he perceived that the few drops left in it were converted into steam; this induced him to snatch it from the fire, and plunge its neck into a basin of water, which, by the atmospheric pressure, was driven quickly into the bottle.

One fifth of the imported article termed tea, is said to be spurious. This, our merchant detects, if he be a **BOTANIST**; not one of those purblind men, who seek a plant for its rarity,

——— "A fingering slave,
One that would peep and botanize
Upon his mother's grave ;"

but he, who takes up the science as a philosopher and a philanthropist, who finds tongues in trees, and goodness in everything. There is something more than mere amusement in knowing plants. Their virtues are many, and their usefulness great. They can restore us to health ; destroy our natural enemies ; lend to our dress their beautiful colors ; and cheer us by their essence. There are but few merchants who have not directly to do with subjects of botany.

A merchant, too, will be a **LINGUIST**. If his tongue were restricted to one language, his traffic would, very likely, be confined to one country—at least, he must tread with fear where he is as a dumb man. The leaves of the world, the beautiful leaves of the world are open to him, who can discourse in divers tongues ; while he who knows no more than his native language, finds the book of nature no larger or better than a sybil's scroll. There is a praiseworthy pride in obtaining the power of commercial ideas in several living languages ; then arises the benefit accruing in a business point of view ; and lastly, the pleasure derived from other tongues. Other worlds of thought come around the linguist. Not only the inhabitants of stranger lands, then appear as in a glass, but their hopes, fears, desires, passions, minstrelsy, and every mental enjoyment, are subject to his observation. Who does not desire to read Don Quixote in Spanish, and Moliere in French ? How much must a German lose who cannot peruse and feel Shakspeare in an English type ; and perhaps that German is pitying me for not understanding his Schiller in the original.

The **LAWS** have the attention of our merchant : while mercantile law especially receives his homage and study. Nor is the learning of it at all uninteresting. Its language is not, like the common law, made up of

"Phrase which time has thrown away,
Uncouth words in disarray,
Trick'd in antique ruff and bonnet."

It is the dialect of common sense — the ordinary speech of men of business. The immense increase of suits in our courts, has been caused by questions upon mercantile law. Let any one consider, for a moment, the vast and complicated scheme of our foreign and domestic trade — let him reflect upon the multitude of hands through which the several commodities pass — on the thousand modes which are in operation for advancing the separate interests of all concerned — on the amazing stimulus which luxury has given to competition, and the countless schemes and speculations thence resulting ; let him endeavor to reckon up the various classes of men who derive, not subsistence only, but opulence, from trade — the hosts of manufacturers, merchants, brokers, partners, shipowners, wharfingers, carriers, bankers, money jobbers, and insurers — and, lastly, the confusion arising from insolvency ! And yet, the system is simple and harmonious. Still, though simple and harmonious, it is remarkable how much of law is contained in an ordinary mercantile transaction. Let us take, for instance, the common case of an English house directing their partner here to buy and ship a certain quantity of foreign produce. This agent employs a broker to effect the purchase, who makes a

bargain with the grower or manufacturer, on a specified day, at a particular place, to be thence shipped to England. The seller gives the broker three months credit for the price, and he draws a bill of exchange on his principal for the amount, which is accepted by him, payable at the banker's abroad. In order to provide funds for the payment of this bill when due, the partner draws on the house in England in favor of the bank, by whom this second bill is discounted, and the cash placed to the credit of the drawer, so as to meet his acceptance. The second bill is then endorsed over by the bank to a bill broker, who sells it for value, to be ultimately paid by the house in England on account of the goods so purchased for them. Now this, stripped of its machinery, is neither more nor less than a simple sale between A. and B., of goods to be delivered on a day fixed, and paid for in three months time. It is evident, however, that out of the transaction a great variety of legal consequences may arise: for the goods may neither be of the quality nor quantity contracted for — they may have been damaged in the carriage either by land or water — they may have been altogether lost — the broker may have deviated from his authority in making the purchase — he may have become insolvent before the three months expired — the firm in England also may be insolvent either before or after the goods are shipped — and they may be stopped *in transitu* — or after their arrival the wharfinger may have detained them for his general balance — and questions of liability upon the bill of exchange may arise. Here is an ordinary mercantile transaction, and yet it involves the law of contracts; the liability of ship carriers; the legal consequences between broker and principal; the law of insurance; the provisions of insolvent and bankrupt acts; the right of stopping goods while they are on their way, or *in transitu*; and the law of bills of exchange.

Our merchant is not likely to be as ignorant as the lawyer, who knew so little of quarantine as to consider the word a name for an island, and asked a witness whereabouts it was situated; but I am compelled to say, that in my professional career I have found men who called themselves merchants, sometimes very deficient in matters of mercantile law, although connected with quarantine, and other things relating to hourly business. A little study would have saved them in fees, given them confidence in their calling, and added to the sphere of their usefulness, and their knowledge. There is hardly a step the commercial man takes which has not a legal principle, custom, or form, around it. The mere taking of a partner involves new consequences. Persons would be more cautious in going into partnerships, if they were aware of the additional legal responsibilities and duties they have then to assume. The taking of a partner appears as pleasant and simple as the putting of a silver string upon a well tried musical instrument, which sounded very well before. It possibly gives an appearance of value; but this very act may spoil the harmony and the music — discord, in both cases, though in different ways, may be the result.

How common a thing is the act of insurance, and yet how few young merchants can tell me about re-insurance, or double insurance, or warranty, or changing the ship, or barratry, or sea worthiness, or other common heads, connected with this branch of mercantile law. I am inclined to fear our young merchant might, if he were subject to be catechised, fall into almost as great an error, in regard to points of insurance, as a late English judge is said to have done in relation to a thing insured. It is told as a fact, and may tend to lighten this part of my lecture — for law is proverbially dry. This judge was trying an action on a policy of insurance, relating to certain merchan-

dise from Russia, well known under the term *Russia duck*. The cause lasted the best part of a day. His honor the judge had allowed his mind to dwell upon the bird, Russia ducks, and not the cloth of that name, Russia duck, and when he summed up to the jury, he complained that the counsel on neither side had presented any evidence to show how *Russia ducks* could possibly be damaged by sea water. With regard to mercantile law, I trust the day will come, gentlemen, when there will be a court of merchants in this city, to try commercial matters. The courts of common law would be much relieved, and the merchant rest satisfied. The members of such a court could sit at stated periods, and act on oath, as do judges and juries in law courts; parties, their agents, and witnesses, should also be sworn before a magistrate to speak the truth; the persons litigating could be obliged to enter into bonds to abide the decision of the court, and such decision be made a rule of court, and be enforced by it. I say, I trust this will one day take place.

A knowledge of mercantile law is of great service to our merchant when he resides abroad — where he may have, personally, to defend his own rights, and plead his own cause. Speaking of Sir Dudley North, his entertaining biographer says, “I have heard one merchant say, that he had tried, in the Turkish courts, above five hundred causes, and for the most part used no dragomen or interpreters, as foreigners commonly do, but, in the language of the country, spoke for himself.”

Every lad has a superficial knowledge of **GEOGRAPHY**; this is not enough. He must be well versed in **TOPOGRAPHY** and the **RESOURCES OF COUNTRIES**. In this way he will have a certainty in the quantities of demand and deficiency, and escape the loss arising from rash speculation. For example: in the great English cotton speculation of 1825, the general but visionary idea was, that the supply of cotton was no longer commensurate with the demand, and the competition did not raise the price so high as to diminish the consumption by the manufacturers in too great a degree, to enable them to take off the quantity actually brought to market. There was, in truth, no deficiency in the supply of cotton, but, on the contrary, a great superabundance; and even if there had been a deficiency, the excess to which the price was carried must have checked consumption so much, as to occasion a serious decline. The falling off in the export of cotton from this country in 1824, seems to have been the source of the delusion. It was supposed that this falling off was not accidental, but the consequence of the price of cotton having been, for a series of years, inadequate to defray the expenses of its cultivation. The result showed that this calculation was most erroneous. And, besides, in entering on the speculation, no attention was paid to Egypt and Italy, countries from which only about 1,400,000 lbs. of cotton were obtained in 1824, but from which no less than 23,800,000 lbs. were obtained in 1825. Now, if the merchant had kept a commercial eye over Egypt and Italy, and upon the superabundance in America, he would have saved himself from expenses, and probably ruin. Indeed, the man who knows his business, will avoid action where many have already engaged. A commodity, unusually high in the market, is likely to fall far below the cost of its production. The merchant's maxim is, “Buy in the cheapest market, and sell in the dearest;” and this is said to be the best rule for the trade of a whole nation.

The **PREJUDICES**, too, OF A COUNTRY, must be studied. These prejudices will have to be canvassed ere he embark in a speculation. Some years ago, a number of English merchants joined together to speculate in butter, and, in that way, to transport the finest milch cows to South America, where pas-

turage was luxuriant, but butter not known. The best farming men were sent on, at a great expense, and the dairy maid was not forgotten. After much labor and delay, butter, worthy of an English dairy, or even our own Goshen, was produced — but the charming butter and the profit melted together; there was no market for the article; the natives kept to their old prejudices, and still preferred to feed on nasty rancid oil. These speculators, gentlemen, should have dealt in oil, and in that way might have put the butter on their own bread. And our merchant's knowledge of countries goes beyond resources and prejudices. He watches the vices of the inhabitants, for, as a friend has truly observed, more money is made through the vices than by the virtues of a people. We trace this in the profits upon the coarse spirituous liquors of the South, the opium of India, and the more disgusting tobacco of our own country. This last article, the "favorite filth of every savage lip," took little more than half a dozen years to be common as far as ships could carry it, while the cheering and refreshing coffee had nearly four hundred years to make itself known in Europe. A late British publication tells us that the discovery of coffee was, like the discovery of steam power, the result of chance. An Arab, the Sheik Omar, fell under persecution in his own country. He and his disciples fled to a mountain in the province of Yanen, where, in the desert, all usual food failed him. A coffee berry grew there wild, and the distressed refugee, as it was too hard for him to masticate, tried its effects in boiling; he drank the liquor, found himself revived, and made it immortal.

Our merchant, in sooth, has a consummate knowledge of other lands — he knows each plain and mountain, river and desert — their extent — their productions. He ought almost to feel, at least to know, of the wind and the storm that periodically drive over the land; for it is for him to calculate upon the crops of the valley, the yielding of the flocks, and the extent of metals upon the mountains, and the vintage half way down. Should he desire, for instance, to trade with Holland, he will not forget her canals, or lose sight of how and when merchandise comes through these veins of the country to the yielding heart — the city of export. If he deal with China, he knows enough to guard against the difficulties arising to all foreigners from despotism, pride, prejudice, jealousy, and corruption. If Egypt claim his resources, he will have to watch the Nile, for if the water cometh not, neither do the productions of the earth. Should the wheat crop fail in his own land, he ought to know the resources of the European continent; and, perhaps, the following information, which it is believed may be relied on, will be new, and of service. It is remarkable, as showing present resources. On passing up the Vistula, recently, an English merchant saw, at Dantzic, heaps of wheat on each side of the river, five or six feet deep, of considerable breadth, and extending nearly seven miles. It is preserved from the effects of the weather by a peculiar kind of matting and sail cloth. Several thousand persons are constantly employed in turning this immense quantity of grain, and exist upon it — the simple preparation of their meals being to boil the corn in the water of the Vistula. They reside in straw huts, erected adjoining the scene of their employment. This astonishing superabundance of produce, consisting of nearly 600,000 quarters, has been brought from Galicia and Poland to its present situation, for the purpose of being exported to foreign countries.

Allied to what we have last mentioned is *HYDROGRAPHY*. Knowing the latter, the merchant fearlessly binds himself by charter-party and insurance, and sends forth his vessels with confidence. He will, then, not be plucking

the grass to know where sits the wind, nor be peering in maps for ports, and piers, and roads, for this he did in the days of his youthful mercantile education. He now knows the depth of water in each harbour, the place of the sand bar, and the sunken rock. He will send his schooner where he is certain it can glide over the coral reef, and keep from narrow channels, and shoal water, his wealthy Andrew.

The ordinances and regulations connected with the **WEIGHTS, MEASURES, AND COIN** of a country, should also be familiar. Science comes in aid of the civil authority in such matters. Commercial countries have paid much attention to them. Our own law, in 1834, directed the Treasury department to have standards constructed for the several custom houses. These standards are now in progress; indeed, it is said, that for six of the principal custom houses they are finished. It is observed, in a late periodical, that when a new system of weights and measures was first thought of, it was proposed by the chief of one of the departments to entrust its execution to the director of the mint, although it was, at the same time, well known, that of the latest gold coinage of the United States, scarcely two pieces can be found of similar weight, or not differing by a quantity discernible in a broker's balance. The silver coinage is still more unequal, as all chemists, who have been in the habit of using the same pieces for weight, can testify. It may be desirable to say that the matter of the standards is in competent hands.

And the **TARIFFS** of trading countries must be studied. A knowledge of them will make our merchant certain that a commodity is not prohibited, or pressed down with a duty which would kill all profit. He should know the tariff well enough to decide upon not sending an article to market, which might perish while the collector of a port was waiting for instructions from his superiors. Some years ago, a cargo of ice was taken to a British port. It was a novel shipment, and the question was, whether the tariff touched it. The matter was open to doubts, and a correspondence took place between the officer of the port and the customs; but, alas, for the shipper. By the time the question of duty or no duty was decided, the sun, which has nothing to do with the custom house, save making an entry through the window, dissolved the whole cargo.

There is, indeed, a double satisfaction in gaining perfect information of distant places and countries. The time may arrive when duty or pleasure will take our young friend from home. He will move with confidence, for he will walk with knowledge, while pleasure and enjoyment are his companions. He has, in the world, been but an artificial man — now, to use a noble passage from an obscure author, “When he walks along the river Amazon, when he rests his eye on the unrivalled Andes, when he measures the long and watered savannahs, or contemplates, from a sudden promontory, the distant, vast Pacific, and feels himself a freeman in this great theatre, and commanding each ready produced fruit of this wilderness, and each progeny of this stream — his exultation is not less than imperial. He is as gentle, too, as he is great. His emotions of tenderness keep pace with his elevation of sentiment, for he says, ‘These were made by a good being, who, unsought by me, placed me here to enjoy them.’ He becomes, at once, a child and a king. His mind is in himself — is also in his God — and therefore he loves, and therefore he soars.”

And with all this, our merchant adds a history of the **COMMERCE OF THE WORLD**. A subject, great as the world itself, and grasping all its treasures, and all its permanent beauties. The commerce of the world embraces

the whole subject of the traffic and intercourse of nations, and shows how mutual wants, occasioning the exchange of natural riches for the creations of art, unite savage nations with civilized, and spread moral and social cultivation over the earth. This glorious commerce of the world has civilized many a barbarous land, and it is, at this moment, burning the rank grass upon the prairies, and felling the forests of our own America. The ocean is an atlas for the commerce of the world, frozen gulfs become bridges for it, Asiatic lakes smooth their surface for its treasures, steam is only one of its mighty messengers, the whale of the deep gives up its life to add light to its greatness, all earth, all water, and the very air itself, appear to be subservient to the commerce of the world. And this, all this, has been brought about by the merchant. Surely the young man of commerce hath a rich heritage!

Of all the requisite qualifications of a merchant, and it is the last I shall mention — *HONOR* — may be accounted the most important. This is the quality which confers on observation, knowledge, and skill, an additional jewel. Without honor, a man can no more be a merchant, than can another man be, without zeal, an advocate, or without impartiality, a judge.

A merchant, in a storm at sea, will first throw overboard that which he values least, and so let it be with him when a tempest on land is shaking his credit. Let the goods and profits go first, let *honor* go last; nay, rather go with that to the bottom, than let it go at all.

See how the Spaniards kept their faith, showing that their ancient honor was not dead. The Spanish galleons, destined to supply Terra Firma, and the kingdoms of Peru and Chili, with almost every article of necessary consumption, used to touch first at Carthagena, and then at Porto Bello. In the latter place a fair was opened, the wealth of America was exchanged for the manufactures of Europe, and during its prescribed term of forty days, the richest traffic on the face of the earth was begun and finished with unbounded confidence and *honor*, and the utmost simplicity of transaction. No bale of goods was ever opened, no chest of treasure examined; both were received on the *honor* of the persons to whom they belonged, and only one instance of fraud is recorded during the long period in which trade was carried on with this liberal confidence. All the coined silver which was brought from Peru to Porto Bello, in the year 1654, was found to be adulterated, and to be mingled with a fifth part of base metal. The Spanish merchants, clinging to their old Spanish honor, sustained the whole loss, and indemnified the foreigners by whom they were employed. The fraud was detected, and the treasurer of the revenue in Peru, the author of it, put to death.

See how an anglo-American merchant kept his honor. Dr. Franklin relates the following anecdote of a Mr. Denham, with whom he once went a passage to England. "He had formerly," he says, "been in business at Bristol; had failed, in debt to a number of people, compounded, and went to America. There, by a close application to business, as a merchant, he acquired a plentiful fortune in a few years. Returning to England, in the ship with me, he invited his old creditors to an entertainment, at which he thanked them for the easy compensation they had favored him with, and when they expected nothing but the treat, every man, at the first remove, found under his plate an order on a banker for the full amount of the unpaid remainder, with interest." Here the merchant had kept his honor beyond the day of peril; it had aided him in the time of adversity, and prompted him to do justice in the period of second prosperity.

And the present, unfortunately, is a time when *honor* only seems left to the

merchant. In the midst of his harvest, in a time of universal prosperity, while no war was checking his imports or his exports, no earthquake destroying the field of his exertions, or the eternal activity of nature, and no sickness paralyzing the mind, the heart, or the head, of the merchant, there has come a mildew, silently, but with its blackest hue, destroying not only his old stock, his laid up winnowed grain, but prostrating and killing the corn which was to give him and his family present bread, as well as be the seed for future harvests.

When a minister of France was interfering in matters of merchandise, and as he thought, beneficially for the man of commerce, and his country generally, he applied to the merchants, asking them what he could do to advance their prospects and their interests. They had but three short words to answer: they emphatically cried out, as with one voice—LET US ALONE! Would to heaven that these plain words, *let us alone*, could have been sounded like thunder in the ears of those who have, however laudable their motive, (for I stand not here as a politician,) however laudable their motive, bowed down our merchants to the dust, and placed them, like the Israelites, in a fiery furnace. But he who was able to help in times of old, will not forget his true princes of the earth; and they will be delivered from the fiery furnace while they walk with *honor*.

When Francis the First lost an important battle, he wrote word to his royal mother that all was lost but *honor*; and so may the merchant now write to his dearest friend. And yet, what is the loss? The philosophical mind will find it to be but the creature of the world; which the world gave, can take away, and may give again. When Job heard of the loss of his sheep and his oxen, he sustained the news with fortitude; and it was only when he heard of the fate of his children, that he rent his mantle and fell to the ground.

I say, nothing is lost, if *honor* be saved. With this star in his horoscope, he who falls, falleth as a blessed martyr; and, while the martyr, through his trials, rises to a brighter sphere, an honest merchant will rise higher than ever he did. He shall see the winter of his trials pass away, for his star of honor, like a planet in the sky, shines brightest in the coldest night; the spring shall bring new prospects; the summer must come again—for the sun continues to shine in America, as well as in Asia and Europe; and though the honey bee has made no improvement in her cell, nor built according to circumstances, yet man can house himself in the log hut, while fortune waits until his *honor* is tried; and being tried, they will shake hands once more—while mildew, thank heaven, does not come every year. He, like his harvest, will revive; the good men of the earth again gather around him; for his character did not sink when his vessel went down: his name, "which never yet the breath of calumny hath tainted," shall once more pass in the market as freely as good tidings; and when the autumn, mellowing once more his golden sheaves, bids him lie down in peace, his character will remain to show *what constitutes a merchant*—in the proud language of Milton, "God and good men will not let it die;" for these good men will say of him, "in all times—under all circumstances—upon the crowded mart—in the silent place of calculation—o'er the sea, and on the land, he had the virtues and the talents *that constitute a merchant*. In the hour of his youth, he had decision of character and truth; in the mid-day of prosperity, he was honorable; in the night season of misfortune, he was a man of honor. When, in the new day, he walked once more amongst us, we saw that upon his breast outshining the badge of chivalry; we saw still there the jewel, honor. He

did not prefer the friend who risked his money with him, and sacrifice the widow and the orphan, although he did cause them to shed tears: but it was only when he died, for then they dropped freely upon his grave, while grateful feelings followed him to heaven."

Gentlemen, young merchants—go forth with decision of character; truth; a fair ambition; mathematical calculation; philosophy and scholarship—but, above all, with *honor*, and my life upon it, you will succeed, be happy, and be beloved; and I may, perhaps, have the satisfaction of knowing that my weak words have found out for you some of those attributes which must help to constitute each one of you a *true merchant*.

ART. II. — THE MORAL LAW OF CONTRACTS.

Moral Views of Commerce, Society, and Politics; twelve Discourses, by ORVILLE DEWEY. New York: 1838. D. Felt & Co.

GREAT spirits are abroad in the world, who are silently but effectually working an important reformation in opinions of religious belief and religious duties. The spirit of intellectual liberty is triumphing over prejudice, old fastidious forms, and narrow sectarian views; men are taught to believe, that religion should not be confined to cloisters and temples, to be sought out at particular times and seasons, but that its gentle spirit should pervade the daily walks of life, and continually exercise, by its divine presence, a benign influence upon the actions and conduct of man with his fellow man. Pulpit discourses are no longer confined to doctrinal points and doctrinal discussions, but now embrace morals, traffic, and politics, and thereby the public mind is immediately addressed on its moral and religious duties and dangers. Old prepossessions based upon error are uprooted, and the goddess, of religion divested of her sable hood and stole, and austere countenance, is clothed in the attractive garb and winning features of innocence.

" The gentle dove within her breast
Looks through her soft and serious eyes,
And on her forehead glimpses rest
Of glory from the skies!"

Foremost among the enlightened clergy of the present day, who in effecting the changes to which we have alluded, are doing infinite service to the cause of christianity, are Channing, Emerson, Beecher, and the author of the volume before us. Mr. Dewey has prefaced his discourses with some clear and very forcible remarks on the propriety of his subjects for the pulpit; he would not be supposed to forget that the pulpit has to deal with topics and questions of duty, that go down into the depths of the human heart—with faith, and repentance, and love, and self denial, and disinterestedness—and that its principal business is thus to make the fountain pure. But religion has an outward form as well as an inward spirit. That form is the whole lawful action of life. And to cut off half of that action from all public and positive recognition—what is it but to consign it over to irreligion, to unprincipled license, and worldly vanity? There is time enough in the pulpit for all things. Nay, it *wants* variety. It is made dull by the restriction and reiteration of its topics. It would gain strength by a freer and fuller grasp of its proper objects. The evil is, that sermons, pulpits, priests—all the active agents that are laboring in the service of religion—

are by the public judgment, as well as their own choice, severed from the great mass of human actions and interests.

We shall at present confine our remarks and extracts to the first discourse, "On the moral law of contracts." After a few brief remarks on the nature of his discourses, Mr. Dewey proceeds:

"This country presents a spectacle of active, absorbing, and prosperous business, which strikes the eye of every stranger, as its leading characteristic. We are said to be, and we *are*, a people, beyond all others, devoted to business and accumulation. This, though it is often brought against us as a reproach, is really an inevitable result of our political condition. I trust that it is but the *first* development, and that many better ones are to follow. It does, however, spring from our institutions: and I hold, moreover, that it is honorable to them. If half of us were slaves, that half could have nothing to do with traffic. If half of us were in the condition of the peasantry of Europe, the business transactions of that half would be restricted within a narrow sphere, and would labor under a heavy pressure. But where liberty is given to each one to act freely for himself, and by all lawful means to better his condition, the consequence is inevitably what we see—an universal and unprecedented activity among all the classes of society, in all the departments of human industry. The moral principles then, applicable to the transaction of business, have strong claims upon our attention, and seem to me very proper subjects of discussion in our pulpits.

"There are moral questions too, as we very well know, which actually do interest all reflecting and conscientious men who are engaged in trade. They are very frequently discussed in conversation; and very different grounds are taken by the disputants. Some say that one principle is altogether right; and others, that another and totally different one is the only right principle. In such circumstances, it seems to me not only proper but requisite, for those whose office it is to speak to men of their duties, that they should take up the discussion of these as they would any other moral questions. I am obliged to confess, that we are liable, scholastic and retired men as we are, to give some ground to men of business, for anticipating that our reasonings and conclusions will not be very practical or satisfactory. I can only say, for myself, that I have, for some time, given patient and careful attention to the moral principles of trade, and I have often conversed with men of business that I might understand the practical bearings and difficulties of the subject; that I have also read some of the books in which the morality of contracts is discussed; and although a clergyman, I shall venture, with some confidence as well as modesty, to offer you my thoughts on the points in question. I say the points in question; and I have intimated that there are points in debate, questions of conscience in business, which are brought into the most serious controversy. I have even known conscientious and sensible men, themselves engaged in trade, to go to the length of asserting, not only that the principles of trade are immoral and unchristian, but that no man can acquire a property in this commerce without sacrificing a good conscience; that no prosperous merchant can be a good Christian. I certainly think that such casuists are wrong; but whether or not they are so, the principles which bring them to a conclusion so extraordinary, evidently demand investigation.

"In preparing to examine this opinion, and indeed to discuss the whole subject, it will not be improper to observe in the outset, that trade, in some form, is the inevitable result of the human condition. Better, it has been

said on the supposition already stated—better that commerce should perish than Christianity; but let it be considered whether commerce can perish. Nothing can be more evident than that the earth was formed to be the theatre of trade. Not only does the ocean facilitate commerce, but the diversity of soils, climes, and products, requires it. So long as one district of country produces cotton, and another corn; so long as one man lives by an ore-bed which produces iron, and another, on pasture lands which grow wool, there must be commerce. In addition to this, let it be considered that all human industry inevitably tends to what is called ‘the division of labor.’ The savage who roams through the wilderness, may possibly, in the lowest state of barbarism, procure with his own hand all that suffices for his miserable accommodation—the coat of skins that clothes, the food that sustains, and the hut that shelters him. But the moment that society departs from that state, there necessarily arise the different occupations of shepherd, agriculturist, mechanic, and manufacturer, the products of whose industry are to be exchanged; and this exchange is trade. If a single individual were to perform all the operations necessary to produce a piece of cloth, and yet more, garment of that cloth, the process would be exceedingly slow and expensive. Human intelligence necessarily avails itself of the facility, the dexterity, and the advantage every way, which are to be obtained by a division of labor. The very progress of society is indicated by the gradual and growing development of this tendency.”

It is a truth universally admitted, that there is a natural propensity in man to trade. “It is common to all men,” says Adam Smith, “and to be found in no other race of animals. No body ever saw a dog make a fair and deliberate exchange of one bone for another, with another dog.” Trade then being admitted an inevitable part of humanity, Mr. Dewey next proceeds to examine the principles that are to regulate it—the moral law of contracts; and the question is, whether in making contracts, it is right for one party to take any advantage, or to make any use of his superior sagacity, information, or power of any kind? He first inquires, how are we to settle this question?

“Does the natural conscience declare them? Is there any instinctive prompting of conscience, that can properly decide each case as it arises in the course of business? Is there any voice within, that says clearly and with authority, ‘thou shalt do thus, and so?’ I think not. The cases are not many, in any department of action, where conscience thus reveals itself. But in business they are peculiarly rare, because the questions there, are unusually complicated. You offer to sell to your neighbor an article of merchandise. You are entitled, of course—i. e. in ordinary circumstances—to some advance upon what it cost you. But what this is, depends upon many circumstances. Conscience will hardly mark down the just price in your account book. Conscience, indeed, commands us to do right, but the question is, what is right? This is to be decided by views far more various and comprehensive, than the simple sense of right and wrong.

“The scriptures, like conscience, are a general directory. They do not lay down any specific moral laws of trade. They command us to be upright and honest; but they leave us to consider what particular actions are required by those principles. They command us to do unto others as we would have them do to us; but still this is not specific. A man may unreasonably wish that another should sell him a piece of goods at half its value. Does it follow that he himself ought to sell on those terms? The truth is, that the golden rule, like every other in scripture, is a general maxim. It simply requires

us to desire the welfare of others, as we would have them desire ours. But the specific actions answering to that rule, it leaves us to determine by a wise discretion. The dictates of that discretion, under the governance of the moral law, are the principles that we seek to discover.

“Neither, on this subject, can I accept, without question, the teachings of the common law; because, I find, that its ablest expounders acknowledge that its decisions are sometimes at variance with strict moral principle. I do not think it follows from this, that the general principles of the common law are wrong, or abet wrong. Nay, I conceive that they may approach as near to rectitude as is possible in the circumstances, and yet necessarily involve some practical injustice in their operation. This results, in fact, from their very utility, their very perfection, as a body of laws. For it is requisite to their utility, that they should be general, that they should be derived from precedents and formed into rules; else, men will not know what to depend upon, nor how to govern themselves; and there would neither be confidence, nor order, nor society. But general rules must sometimes bear hard upon individuals: the very law which secures justice in a thousand cases, may, and perhaps must, from the very nature of human affairs and relationships, do injustice in one. Indeed, the law of chancery, or of equity, has been devised on purpose to give relief. But even chancery has its rules which sometimes press injuriously upon individual interests; and no human laws can attain to a perfect and unerring administration of justice. For this perfect justice, however, we seek. We are asking what it is to do no wrong to our fellow man, whether the law permits it or not. We are asking how we shall stand acquitted, not merely at the bar of our country, but at the bar of conscience and of God.”

The language of legal writers upon this subject is next taken into consideration. It is common with those writers to make a distinction between moral and legal justice. Up to a certain extent the law protects a man in doing wrong; beyond a certain extent it will not protect him. This distinction is founded on the policy of law, and the policy of trade. “In law,” says Pothier, “a party will not be permitted to complain of slight offences, which he, with whom a contract is made, has committed against good faith; otherwise there would be too many contracts to be rescinded, which would open the way to too much litigation, and would derange commerce.” “The common law,” says Chancellor Kent, “affords to every one reasonable protection against fraud in dealing; but it does not go the romantic length of giving indemnity against the consequences of indolence and folly, or a careless indifference to the ordinary and accessible means of information.”

Legal expediency, our author very justly observes, is not to be so construed as to warrant the supposition that it lends a sanction to what is wrong. It may, from necessity, permit or protect fraud, but does not abet it. A man is not to consider himself an honest man, simply because the law gives him deliverance. For the law *cannot* take cognizance of the secret intentions, nor of slight deviations from truth. If every man who says he has got a bad bargain, and who thinks he has been cheated, could be heard in court, our tribunals would be overwhelmed with business. No human tribunal can descend to the minutiae of injustice. But the law does not sanction what it does not undertake to prevent, any more than the infinite Providence sanctions those abuses which arise from its great law of freedom.

Passing by several interesting preliminary observations, we come to the most important topics of the discourse, embracing *monopoly, usury, superior*

information, etc., of which we shall let Mr. Dewey speak for himself, premising that his deductions to us seem logical, and his conclusions irrefutable.

“The next case, then, to be considered in the morals of business, is monopoly. This may arise in two ways: intentionally, from combination on the part of several traders, or a plan on the part of one; and unintentionally, where it falls out in the natural and unforced course of trade. It is from confounding these two cases together, perhaps, that a peculiar prejudice is felt in the community against monopoly. That a man should set himself by dexterous management to get into his possession all the corn in market, in order to extort an enormous price for it, is felt to be oppressive and wrong. But there is often a monopoly, to a greater or less degree, resulting from simple scarcity; and in this case, that enhancement of price which is so odious, is perfectly inevitable. Nay, it may be even beneficial. For high prices lessen consumption, and may prevent famine. But at any rate, high prices in a time of scarcity are inevitable. Even if all the corn, or all the coal, were in the hands of one man, and he should sell the half of his stock to the wholesale dealers at a moderate rate, and hold the remainder at the same rate to keep the price down, still, I say, the moment the article left his hands, the law of scarcity would prevail and raise the price. Monopoly, therefore, compels, and of course, justifies an enhanced price. The same principle which applies to every other commodity, applies to that commodity called money. And it is only from the habit of considering money not as a commodity, but as a possession of some peculiar and magical value, that any prejudice can exist against what is called usurious interest; saving and excepting when that interest goes beyond all bounds of reason and humanity. The practice of usury has acquired a bad name from former and still occasional abuses of it. But the principle must still be a just one, that money, in common with every thing else, is worth what it will fetch.

“This, I know, is denied. It is denied, especially, that money is, or is to be regarded, like other commodities in trade. It is said that money is the creature of the government; that the mint, when stamping it with the government impress, stamps it with a peculiar character, and separates it entirely from the general condition of a commodity. It is said, too, that the common representative of money — that the bank note — that credit, in other words — is exposed to such expansion and contraction, and management and conspiracy, that it is peculiarly liable to be used for the injury of the necessitous and unwary.

“Let us separate this last allegation from our discussion for a moment, and consider the question alone, as it affects the use of money in the form of bullion. And I know of no better way of considering questions of this sort, than to resolve them into their simple forms, by going back to the origin of society, or taking for example, a small and isolated community. At least, we come to the theory of the questions by this means, and can then consider what modifications are required by more artificial and complicated interests.

“Suppose then a community of an hundred families, cut off from the rest of the world, engaged in the various callings of life, accustomed to barter, but not accustomed to the use of money. Suppose, now, that a gold mine were discovered. The metal is found to be very valuable for various purposes; and, like every thing else, it takes its value in the market; an ounce of it is exchanged for so many bushels of corn or yards of cloth. But the permanent and universal value of this metal, and its being so portable and indestructible, would, ere long, very naturally bring it into use as a circu-

lating medium; the farmer would know that if he sold corn for it, he could buy cloth with it in another part of the district, and would be glad thus to be saved the trouble and expense of transporting the produce of his farm to the distant manufactory. In this exchange, the lumps of gold of course would be weighed, and it would be natural to stamp the weight upon each lump. But another step would follow from all this. As there would be the trouble of constantly weighing this circulating medium, and the danger of mistake and deception, the community would appoint a committee, or depute its government, if it had one, to do this very thing; and the metal would be cast into various quantities, bearing distinct denominations, to answer more fully the purposes of a convenient circulating medium. Here, then, we have a mint, and here we have money. Nobody will deny that it was a commodity when each man dug it from the earth, and exchanged it at his pleasure. But the action of the government confers no peculiar character on it. The government simply weighs the metal, and affixes, as it were, a label to it; i. e. stamps it as coin, to tell what it is worth. It does not create this value, but simply indicates it.

"I am sensible that many questions may still be asked, but I have not space here, if I had ability, to enter into them; and besides, if this is just theory of the value of the specie currency, it may itself suggest the necessary answers. But the great practical difficulties arise from the use of a paper currency. If the paper were strictly the representative of gold and silver — if the issue of bank notes did not exceed the specie actually in vault, and thus were used only for convenience, the same principles would apply as before. All other paper does not represent money, but credit; i. e. it represents the presumed ability of a man to pay what he promises; not his known and ascertained property. And the question is, may credit be bought and sold in the market like any commodity?

"Let us again attempt to simplify the question. You want money, let us suppose, and you go to a money lender, and ask for it. He says, 'I have not the money, but I shall have it a month hence, and I will give my note, payable at that time.' This may answer the purpose with your creditor, and the question now is, what interest shall you pay? Shall credit take its place in the market like money, or like a commodity? Shall we say that the government has no business to interfere in this matter, with its usury laws, obliging a man to sell his paper for seven per cent.? Shall we say that all this ought to be left to regulate itself, and that every man shall be left free to act according to his pleasure?

"I certainly feel some hesitation, from deference for the opinions of some able men who are more studious in those matters than I am, about answering this question in the affirmative. There are relations and bearings of that immense and complicated subject, the monetary system, which I may not understand, and usury, perhaps, is connected with that system in ways that are beyond my comprehension. But looking at the question now, in the light of simple justice, separating all unlawful combination and conspiracy from the case, and all deception and dishonesty, I cannot see why a man has not a right to sell his credit for what another is willing to give for it. If a lawyer has so elevated himself above his brethren, that his opinion is worth not twenty but five hundred per cent. more than theirs, he takes that advance for his counsel. Why, then, shall not a merchant, who by the same laborious means has acquired a fortune and a high commercial reputation, be allowed a similar advantage?

"We say, why should he not dispose of his credit, or in other words, pledge his property at such prices as it will naturally bear? But the truth is, that he cannot prevent this result, let him do what he will. He may sell his paper at one half per cent. a month, but the moment it is out of his hands, it will rise to two or three per cent., if that be its real value. I say nothing now about obedience to the usury laws; I do not touch the point of conscience in that respect; but I believe that the laws themselves are both impolitic and unjust; unjust, because they conflict with the real value of things; and impolitic, because they never were, and never can be executed, and in fact, because they only increase the rates of interest by increasing the risk.

"But is there, then, no limit, it may be said, to the advantage which one man may take of the necessities of another? To ask this question in regard to the lender of money, is but the same thing as to ask it in regard to the man, in every other relationship of life. The duties of humanity, of philanthropy, of natural affection, can never be abrogated by any circumstances, and the only question is, what line of conduct, in the case before us, is conformable to those duties. That question cannot, I think, be brought within the compass of any assignable rules, and must be left for every man seriously to consider for himself. He is put upon his conscience in this respect, as he is in every other case in life."

It is a little singular that usury in every age should meet with the almost universal detestation of mankind, when all men of wisdom and reflection must admit the necessity of its existence, and acknowledge the value of its use, however much they may deprecate the abuse of it. And after all, what is usury but an exorbitant rate of interest? Nor is that rate of interest always exorbitant which is sometimes termed usury. The capitalist who loans money in London at 6 per cent. per annum, is as justly chargeable with usury as he who receives 15 per cent. per annum in our western states and territories. "I say this only," says Lord Bacon, "that usury is *concessum propter duritiem cordis*: for since there must be borrowing and lending, and men are so hard of heart as they will not lend freely, usury must be permitted. Some others have made suspicious and cunning propositions of banks, discovery of men's estates, and other inventions; but few have spoken of usury usefully. It is good to set before us the incommunities and commodities of usury, that the good may be either weighed out, or culled out; and warily to provide, that, while we make forth to that which is better, we meet not with that which is worse."

The British Parliament have recently *re-enacted* a law virtually repealing the usury laws on all money transactions other than on loans secured by real estate, and the exception is doubtless made as a compromise with the lingering prejudices yet existing in respect to usury.

We come now to the discussion of the last proposition in the discourse — whether the use of superior information is allowable?

"But the hardest case to determine, is that on which the question is raised, about the use of superior information. And perhaps this question cannot be better stated than in the celebrated case put by Cicero.* A corn merchant of Alexandria, he says, arrived at Rhodes in a time of great scarcity, with a cargo of grain, and with knowledge that a number of other vessels laden with corn, had already sailed from Alexandria for Rhodes, and which he had passed on the passage, was he bound in conscience to inform the buyers

* De Officiis, Lib. 3. Sec. 12—17.

of that fact? Cicero decides that he was. Several modern writers on law dissent from his opinion—as Grotius, Puffendorf, and Pothier himself, though with very careful qualifications.*

“It appears to me, that the answer to Cicero’s question must depend on the views which are taken of a contract. If a contract is a mere arbitrary convention, if business is a game, a mere contest of men’s wits, if every man has a right to make the best bargain he can, if society really has power to ordain that such shall be laws of trade, then the decision will be one way. But if a contract implies in its very nature the obligation of fair dealing and truth-telling, then the decision will be the other way. The supposition is, that the Alexandrine trader concealed a certain fact, for the sake of asking a price which he knew would not have been given, had that fact been public. Now what is implied in asking a price? What does a man say, when he sets a certain price on his merchandise? Does he, or does he not say, that the price he asks is, in his opinion, the fair value of the article? I think he does. If you did not so understand him, you would not trade with him. If you observed a lurking sneer on his lip, such as there must be in his heart, when he knows that he is taking you in, you would have nothing to do with him. The very transaction, called a contract, implies that degree of good faith. If this be true, if it is universally understood that he who asks a price, professes in that very act to ask a just and fair price, and if, moreover, he has a letter in his pocket assuring and satisfying him that it is not the just price; then he is guilty of falsehood. If the Alexandrine trader had asked a price, graduated exactly by his opinion of the probability that other vessels would soon arrive, and of the amount of the supply they would bring, his conduct would have been fair and honest. But if he had concealed facts within his knowledge, for the sake of asking an enormous price, or any price beyond what he knew to be the fair value, he would be guilty of falsehood and dishonesty. And the reason is, I repeat, that the very basis of a contract is mutual advantage; that its very essence lies in a supposed equivalency; that he who sets a price is understood to say as much as this, ‘I think the article is worth it.’ And if you allow a man to swerve from this truth and good faith at all, where will you stop? Suppose that the people of Rhodes had been suffering the horrors of famine, and the Alexandrine merchant had taken advantage of their situation to exact from them all their disposable property as the price of life, and had borne off that mass of treasure, all the while knowing that bountiful supplies were at hand—what should we have said? We should have said that his perfidy was equal to his cruelty—that he was both a pirate and a villian. But if a man may be guilty of falsehood in one degree, what principle is to prevent his being guilty of it in another? I know what may be said on the other hand. The master of the Alexandrine ship, it may be said, had outstripped the others, by superior sailing; and this superiority, in the management of his ship, may have been the fruit of a whole life of industry and ingenuity. He had also been on the alert, it may be supposed; had watched the course of the markets while others slept, and had been ready with his supply to meet the exigency which all others—even the Rhodians themselves—had been too dull to foresee. Is he not entitled to some premium for all this? Nay, but for the prospect held out of such a reward, the Rhodians might have starved. And yet if he gives the information in question, he loses the premium. No, the merchants of Rhodes say, ‘we will wait till

* *Traité du Contract de Vente*, Part II. ch. 2. Art. 3.

to-morrow.' But again; to-morrow comes; the vessels arrive; the market is glutted; and the Alexandrine trader loses money on his voyage. Will the merchants of Rhodes make it up to him, on account of his generosity in giving them the information? Not at all. 'We buy at the market price,' they say; 'we cannot afford any more; if we give more we are losers;' and thus the Alexandrine by neglecting his own interests, and taking care of other people, loses not only his voyage, but his whole fortune perhaps, and becomes a bankrupt; and by becoming a bankrupt, he injures those he is most bound to serve—his confiding friends and beggared family. All this is a very good reason, to be sure, why the Alexandrine trader should be rewarded for his exertions, but it is not any good reason, nor *can* there ever be any good reason, why a man should tell a falsehood, why he should make a false impression, why he should deceive his neighbor.

"Do we then propose to reduce the wise and the ignorant, the sagacious and the stupid, the attentive and the negligent, the active and the indolent, to the same level? Must the intelligent and the enterprising merchant raise up his dull and careless neighbor, to his own point of view, before he may deal with him? Certainly not. Let a wide field be opened, only provided that the boundaries be truth and honesty. Let the widest field for activity and freedom of action be spread, which these boundaries can enclose.

"Indeed, a man *must* act in trade upon some opinion. That opinion must be founded on some knowledge. And that knowledge he may properly seek. Nay, and he may use it, to any extent, not implying deception or dishonesty. Nor are the cases frequent, in which commercial operations possess any such definite or extraordinary character, as admits of deception. It does not often happen that any great advantage is, or can be taken, of complete and unsuspecting ignorance. Men are wary. They will not make questionable sales, when a packet ship from abroad is in the offing. They are set to guard their own interests, and they do guard them. They must assume some responsibilities in this way; they must take some risks. They are liable to err in opinion, and they must take such chance as human imperfection ordains for them. Business, like every other scene of human life, is a theatre for imperfection, for error, for effort, for opinion, and for their results. I do not see how it can possibly be otherwise, and therefore, I consider it as appointed to be so. Undue advantage may be taken of this state of things by the selfish, grasping, and unconscientious; right principles may be wrested to the accomplishment of wrong ends; a system of commercial morality may be good for the community, and yet may be abused by individuals; all this is true, and yet the doctrine which applies every where else must apply here—that abuse fairly argues nothing against use.

"Let us see how the case would stand if it were otherwise; let us see what the assumption on the part of the trading community, that no man should ever act in any way on superior information, would amount to. 'We may sleep,' they would say, 'we need not take any pains to inform ourselves of the state of the markets; we need not take a step from our own door. If our neighbor comes to trade with us, he must first inform us of every thing affecting the price of our goods. He makes himself very busy, and he shall have his labor for his pains; for the rule now is, that indolence is to fare as well as activity, and vigilance is to have no advantage over supineness and sloth.' Suppose, then, that the vigilant and active man is up betimes, and goes down upon the wharf, or to the news room, and becomes apprized of facts that affect the price of his goods, he must not go about selling till he has

stepped into the shop of his indolent neighbor, and perhaps, of half a dozen such, to inform *them* of the state of things; for, although he does not directly trade with them, yet, by underselling or selling for more, in consequence of superior information, he injures them just as much as if he did: i. e. he takes profits out of the hands of the slothful, by acting on his superior knowledge. But now enlarge the sphere of the comparison. There is no real difference in the principle between a man's going down to the wharf, and his going to Europe, for information. And if, by superior activity, by building better ships and better manning them, he is accustomed to get earlier advices of the state of foreign markets, I see not, but as a general principle, a principle advantageous to commerce, and encouraging to human industry and ingenuity, he must be allowed to avail himself of those advices. The law of general expediency must be the law for the conscience. It is expedient that there should be commerce or barter; nay, it is inevitable. It is expedient that industry and attention should be rewarded, and that negligence and sloth should suffer loss. It is expedient, therefore, that all that sagacity, power, and information, which are the result of superior talent, energy, and ingenuity, should yield certain advantages to their possessor. These advantages he may push beyond the bounds of reason and justice; but we must not, on that account, be deterred from maintaining a principle which is right; a principle which is expedient and necessary for the whole community.

"And is not the same principle, in fact, adopted in every department of human pursuit? Two men engage in a certain branch of manufactures. The one, by his attention and ingenuity, makes discoveries in his art, and thus gains advantages over his indolent or dull neighbor. Is he obliged to impart to him his superior information? Two young men in the profession of the law, are distinguished, the one for hard study, the other for idleness. They are engaged in the same cause; and the one perceives that the other is making a false point in the case. Is he obliged to go over to his brother's office, and explain to him his error; or is it not proper, rather, that both himself and his client should suffer for that error, when the cause comes to be argued in open court?

"In fine, I hold that a distinction is to be made between general information and definite knowledge. If a man *knows* that an article is worth more than he buys it for, or less than he sells it for, he does not act with truth and integrity. It is just as if he knew the article were more or less in quantity than he alleges it to be. But if he acts on general information, open alike to all, if he acts on mere opinion, in which he may be mistaken, if he has no certain knowledge of the merchandise in question, but only a judgment, he is entitled to the full benefit of that judgment; while he is liable, at the same time, to the full injury of it, if it be mistaken.

"But in regard to absolute certainty, how, I would ask, are we to distinguish between knowledge in regard to real value of an article, from knowledge in regard to the real quality of an article? If I sell merchandise in which there is some secret defect, and do not expose that defect, I am held to be a dishonest man. But what matters it to my conscience, whether the secret defect lies in the article, or in the price? It comes to the same thing with my fellow-dealer. If I were to sell moth-eaten cloths at four dollars per yard more than they were worth — the defect known to me and not to my neighbor — all the world would pronounce me a knave. But there is another sort of moth, a secret in my own keeping, which may have as effectually eaten out four dollars from every yard of that cloth, as if it had literally

cut the thread of the fabric. What difference now can it make to my neighbor, whether advantage is taken of his ignorance in one way or another, in regard to the quality or the price? The only material point is the value, and that is equally affected in either case. This is the only conclusion to which I find myself able, on much reflection, to arrive. Knowledge of prices is as material to the value of merchandise, as knowledge of its qualities. The knowledge, therefore, as it appears to me, should be common to all contracting parties. I cannot think that a trader is to be like a fisher, disguising his hook with bait; or like a slight-of-hand man, cheating men out of their senses and money with a face of gravity; or like an Indian, shooting from behind a bush, himself in no danger. Trade, traffic, contracts, bargains — all these words imply parity, equivalency, common risk, mutual advantage. And he who can arrange a commercial operation, by which he is *certain* to realize great profits and to inflict great losses, is a taker of merchandise, but can hardly be said to be a trader in it.

“I am sensible that this is the nice and difficult point in the whole discussion. But, I put it to the calm reflection, and to the consciences of my hearers, whether they would not feel easier in their business, if all use of superior and certain knowledge were entirely excluded from it. Long as this use has obtained, and warmly as it is sometimes defended, yet I ask, if the moral sentiments of the trading community itself would not be relieved by giving it up? This, if it be true, is certainly a weighty consideration. I admit, indeed, as I have before done, that no vague sentiment is to settle the question. But when I find that there is even in vague sentiment something like a hook, that holds the mind in suspense, or will not let the mind be satisfied with departure from it, that circumstance deserves, I think, to arrest attention. I will frankly confess, that my own mind has been in this very situation. I did not see, at one time, how the case of general information and opinion, which it is lawful to use, could be separated from the case of particular knowledge. But I now entertain a different, and a more decided opinion. And the consideration, with me, which has changed uneasiness into doubt, and doubt into a new, and, as I think, corrected judgment, is that which I have last stated — it is the consideration, that is to say, of the *very nature of a contract*. A contract does *not* imply equal powers, equal general information, equal shrewdness in the contracting parties; but it does imply, as it appears to me, equal actual knowledge. My neighbor may think himself superior to me in all other respects, and he may tell me so, and yet I will trade with him; we still stand upon ground that I am willing to consider equal. But let him tell me that he *knows* something touching the manufacture, quality, condition, or relations of the article to be sold, which I do not know, and which affects the value of the article; and I stop upon the threshold; we cannot traffic; there may be a game of hazard which he and I consent to play, but there is an end of all trading. If this be true, then the condition of a regular and lawful contract is, that there be no secrets in it; no secrets, either in the kind or quality of the merchandise, or in the breast or in the pocket of the dealer. Let them all be swept away — let them be swept out, all secrets from all hiding places, from all coverts of subterfuge and chicanery — and this, at least, I am certain of, that business would occasion fewer wounds of conscience to all honorable and virtuous communities.”

In a future number, we purpose reviewing the discourse, entitled, “The Moral end of Business,” which is treated like all of Mr. Dewey’s subjects of discourse, in a bold, able, and original manner. Originality is one of the

chief characteristics of our author's style; he wisely leaves the narrow and beaten track of most theological writers, who confine themselves to formal rules and scriptural metaphors, and summons to his aid, with a fine poetical taste, whatever is apposite, by way of illustration or ornament, in the visible creation. Thus by the power of genius, subjects, which in themselves seem dry and forbidding to the many, are made to arrest the attention of the most indifferent. It is not in our province to speak of the peculiar religious opinions or belief of any writer whose works may fall under our notice; and in commending the discourses under consideration, we have sought only to pay a sincere though humble tribute to genius and talent.

ART. III.—HISTORY OF NAVIGATION.

Among the various branches of science, which, by the gradual development of human knowledge and ingenuity, have been brought to any degree of perfection, that of NAVIGATION is one of the most ancient.

The poets refer the origin of this art to Neptune, some to Bacchus, others to Hercules and Jason, and others, again, to Janus, who is said to have built the first ship. Some contend, that the first hint was taken from the flight of the kite; and others derive it from accident.

The Scriptures would seem to attribute its introduction to God himself, in furnishing a first specimen of its uses, in the ark constructed by Noah, under his direction—while profane history ascribes it to Æginetes, to the Phœnicians, the Tyrians, and the ancient inhabitants of Britain.

The Phœnicians, especially those of their capital city, Tyre, are generally represented as the first navigators; being urged to seek a foreign commerce by the narrowness and poverty of the slip of ground they occupied along the coast, as well as by the possession of two or three good ports, and by their natural genius for traffic. Lebanon, and the other neighboring mountains, furnished them with excellent wood for ship-building, and in a short time they became masters of a numerous fleet. From constantly hazarding new navigations, and entering upon new trades, they soon arrived at an incredible degree of opulence; their country became very populous, so much so as to enable them, at an early period, to send forth colonies to the surrounding coasts. A principal of these was Carthage, which, keeping up a Phœnician spirit of commerce, in time, not only equalled Tyre itself, but greatly surpassed it; sending its merchant fleets, not only throughout the Mediterranean, but even through Hercules' Pillars—now the straits of Gibraltar—along the western coasts of Europe and Africa, and even, as some authors would lead us to believe, to America itself.

Tyre, whose immense riches and power are represented in such lofty terms, both by sacred and profane authors, being destroyed by Alexander the Great, its navigation and commerce were transferred, by the conqueror, to Alexandria, a new city, admirably situated for those purposes, and proposed to be the capital of the EMPIRE of ASIA, the establishment of which Alexander then meditated. Thus arose the navigation of the Egyptians, afterwards so famed, under the patronage of the Ptolemies, that even Tyre and Carthage were almost forgotten.

Egypt being reduced to a Roman province, after the battle of Actium, its

trade and navigation fell into the hands of Augustus. At this time, Alexandria was only inferior to Rome: and the magazines of the metropolis of the world were wholly supplied with merchandise from the capital of Egypt. But at length Alexandria itself underwent, in a degree, the fate of Tyre and Carthage. Surprised by the Saracens, who, in spite of the Emperor Heraclius, overspread the northern coasts of Africa, her merchants were driven to foreign fields of enterprise, and she sank into comparative insignificance and obscurity. She has ever since been in a declining state, though even at the present day, in possession of a considerable part of the commerce of the Christian merchants trading to the Levant.

The nations of Roman Britain, and the tribes of Caledonia and Ireland, had inherited, from their earliest ancestors, many of the ruder arts of navigation. Their vessels were large open boats, framed of light timbers, ribbed with hurdles, and lined with hides. These were furnished with masts and sails, the latter being formed of hides, while the tackle was of thongs. The sails used even among the Veneti, so late as the days of Cæsar, were also of hide. They were never furled, but only bound to the mast. But these slight sea-boats and their furniture, were soon changed, by the provincials, for the more substantial vessels, and more artificial sails of the Romans.

The fall of Rome, and its empire, drew along with, not only the decline of learning and the polite arts, but that of navigation also; the barbarians, into whose hands it fell, contenting themselves with the spoils of the industry of their predecessors. No sooner, however, were the more brave among those nations well settled in their new provinces—some in Gaul, as the Franks; others in Spain, as the Goths; and others in Italy, as the Lombards—than they began to learn the advantages of navigation and commerce, and the methods of excelling in them, from the people they had subdued; and this, with so much success, that in a little time, some of them became able to give new lessons, and set on foot new institutions for its advantage. It is thus that the invention and use of banks, book-keeping, exchanges, &c., is usually attributed to the Lombards.

It is not certain which of the European nations, after the settlement of their new masters, first betook themselves to navigation and commerce. Some think it was the French; though the Italians seem to have the best claim to it, and are generally considered as the restorers of these, as well as of the polite arts, which had been banished with them, from the time the empire was torn asunder. The people of Italy, particularly those of Venice and Genoa, have the glory of this restoration; and it is to the advantage of their situations for navigation and commerce, that they, in a great measure, owe this glory.

A great number of marshy islands, in the upper part of the Adriatic, separated from one another by narrow channels only, but those well screened, and almost inaccessible, became, at an early period, the residence of a few fishermen, who supported themselves by a small trade in fish and salt, found in some of these islands. Thither the Veneti, a people inhabiting that part of Italy along the coasts of the Gulf, opposite, retired, when Alaric, king of the Goths, and afterwards Attila, king of the Huns, ravaged Italy. Little imagining that this was to be their fixed residence, these new settlers did not think of composing any body politic; and each of the numerous islands of this Archipelago continued, a long time, under its separate masters, and each made a distinct commonwealth. When, however, unexpectedly as it were to themselves, their commerce had become considerable enough to give jeal-

lousy to their neighbors, they began to think of uniting in one body. This union, first begun in the sixth century, but not completed till the eighth, laid the sure foundation of the future grandeur of the state of Venice. From this time, her fleets of merchant vessels were sent to all parts of the Mediterranean; and particularly to Cairo, a new city, built by the Saracens on the eastern bank of the Nile, where they secured the spices and other choice produce of the Indies. Venice continued thus to flourish and increase, in her commerce, her navigation, and her conquests, till the league of Cambray, in 1508, when a number of jealous princes conspired to her ruin. This was the more easily effected, from the diminution of her East India commerce, of which the Portuguese had secured to themselves one part, and the French another. Genoa, which had given herself to navigation at the same time with Venice, and with equal success, was long a dangerous rival, disputing with her the empire of the sea, and sharing with her the trade of Egypt, and other parts, both in the east and west.

Jealousy soon began to be excited between them; and the two republics coming to blows, there was almost a continual war for three centuries, before the superiority of either was determined. Towards the end of the fourteenth century, the battle of Chioza ended the strife; the Genoese, who, till then, had usually the advantage, having lost all, the Venetians themselves, almost reduced to despair, at one happy blow, secured to themselves, beyond all expectation, the empire of the sea, and the dominion in commerce.

About the same time that navigation was revived in the southern parts of Europe, a new society of merchants was formed in the north, which carried commerce to the greatest perfection of which it was capable, previous to the discovery of the East and West Indies; and formed a new scheme of laws, for its better regulation. This society constitutes the famous "League of the Hanse Towns," commonly supposed to have begun about 1164.

In examining the reasons why commerce has passed, successively, from the Venetians, Genoese, and Hanse Towns, to the Portuguese and Spaniards, and from these again, to the English and Dutch; it may be established as a maxim, that the relation or union between commerce and navigation is so intimate, that the fall of the one inevitably draws after it that of the other; and that they will always flourish or decay together.

The art of navigation has been considerably improved, in modern times, both in regard to the form of the vessels, and the methods of working them. The use of rowers is now entirely superseded, by the improvements made in the formation of the sails, rigging, &c., by which ships not only sail much faster than formerly, but are managed with the greatest facility. It is also probable, that the ancients were neither so well skilled in finding the latitude, nor in steering their vessels, in places of difficult navigation, as the moderns. But the greatest advantage which the moderns have over the ancients, is in the Mariner's Compass, by which they can find their way with as great facility in the midst of an immeasurable ocean, as the ancients could have done, by creeping along the coast, and never venturing beyond the sight of land. Some, indeed, contend, that this is not a modern invention, but that the ancients were acquainted with it. They say, that it was impracticable for Solomon to have sent ships to Ophir, Tarshish, and Parvaim, without this useful instrument. They insist, that it was impossible for the ancients to have been acquainted with the attractive virtues of the magnet, and yet be ignorant of its polarity. Nay, they affirm that this property of the magnet is plainly

mentioned in the book of Job, where the loadstone is mentioned by the name of *topaz*, or *the stone that turns itself*.

However this may be, it is certain that the Romans, who conquered Judea, were ignorant of the polarity of the needle; and it is very improbable, that such a useful invention, if once it had been commonly known to any nation, would have been forgotten, or should have been entirely concealed from so shrewd a people as the Romans, and those so much interested in its discovery.

Among those who think that the mariner's compass is a modern invention, it has been much disputed who was the inventor. Some give the honor of it to Flavio Gioia, of Amalfi, in Campania, in the fourteenth century; while others say, that it came from the east, and was earlier known in Europe. But, at whatever time it was invented, it is certain, that the mariner's compass was not commonly used in navigation before 1410, at which time the science was considerably improved, under the auspices of Henry, duke of Visco, brother to the king of Portugal. In 1485, Roderic and Joseph, physicians to king John II. of Portugal, together with one Martin, of Bohemia, a native of the island of Fayal, and pupil of Regismontanus, calculated tables of the sun's declination, for the use of sailors, and recommended the Astrolabe, for taking observations at sea. Of the instructions of Martin, Christopher Columbus is said to have availed himself, and to have improved the Spaniards in the knowledge of navigation.

The discovery of the Variation of the Needle, is claimed by Columbus, and by Sebastian Cabot. Columbus certainly observed this, without having heard of it from any person, on the 14th September, 1492: and it is probable that Cabot might have observed it about the same time. There was no variation, at that time, at the Azores, where some geographers have thought proper to place the first meridian. The use of the Cross-staff now began to be introduced among sailors. This ancient instrument is described by John Werner, of Nuremberg, in his annotations on the first book of Ptolemy's Geography, printed in 1514, and recommends it for observing the distance between the moon and some star, in order to determine the longitude.

At this time, the art of navigation was very imperfect, on account of the inaccuracies of the Plane Chart, which was the only one then known, and which, by its erroneous principle, must have greatly misled the mariner, especially in voyages far distant from the equator. Its precepts were probably at first only set down on the Sea Charts, as is the custom at this day: but at length there were two Spanish treatises published, in 1545; one by Peter de Medina, the other by Martin Cortes, which contained a complete system of the art as far as it was then known. These seem to be the oldest writers who fully handled the art; for Medina, in his dedication to Philip, prince of Spain, laments that so many ships daily perished at sea, because there were neither teachers of the art, nor books by which it might be learned; and Cortes, in his dedication, boasts to the Emperor, that he was the first who had reduced navigation into a compendium, valuing himself much on what he had performed. Medina defended the plane chart; but was opposed by Cortes, who showed its errors, and endeavored to account for the variation of the compass, by supposing the needle to be influenced by a magnetic pole, (which he called the *point attractive*,) different from the pole of the world.

Medina's book was soon translated into Italian, French, and Flemish, and served for a long time as a guide to foreign navigators. Cortes, however,

was the favorite author of the English, and was translated in 1561; while Medina's work was entirely neglected, though translated within a short time of the other. At that time, the system of navigation, consisted of the following particulars: an account of the Ptolemaic hypothesis, and the circles of the sphere; of the rotundity of the earth; the latitudes and longitudes of places, climates, &c., and eclipses of the sun and moon; a calendar; the method of finding the prime, epact, moon's age, and the tides; a description of the compass; tables of the sun's declination, for four years, in order to find the latitude from the sun's meridian altitude; of the course of the sun and moon; of time and its divisions; the method of finding the hour of the day or night; and lastly, a description of the sea chart, on which to discover the place of the ship, a small table was made use of, which showed, upon an alteration of one degree of the latitude, how many leagues were run in each rhomb, together with the departure from the meridian. Cortes gave a description of some instruments, such as one to find the place and declination of the sun and moon; certain dials; the astrolabe and cross staff; with a complex machine to show the hour and latitude at once.

About the same time, were made proposals for finding the longitude, by observations on the moon. In 1530, Gemma Frisius advised the keeping of the time by means of small clocks or watches, then, as he says, newly invented; he also contrived a new sort of cross-staff, and an instrument called the nautical quadrant.

In 1537, Peter Nunez, or Nonius, published a book in the Portuguese language, to explain a difficulty in navigation, proposed to him by the commander, Don Alphonso de Suza. In this, he exposes the errors of the plane chart, and gives the solution of several curious astronomical problems; among which is that of determining the latitude from two observations of the sun's altitude, the intermediate azimuth being given. He observed, that though the rhombs are spiral lines, yet the direct course of a ship will always be in the arc of a great circle, whereby the angle with the meridians will continually change; all that the steersman can here do, for preserving the original rhomb, is to correct these deviations, as soon as they appear sensible. But thus the ship will, in reality, describe a course without the rhomb line intended; and, therefore, his calculations for finding the latitude, where any rhomb line crosses the several meridians, will be, in some measure, erroneous. He also invented a method of dividing a quadrant, by means of concentric circles, which after being much improved by Dr. Halley, is used at present, and is called a nonius.

In 1577, William Bowrie published a treatise, in which, by considering the irregularities of the moon's motion, he shows the errors in finding her age by the epact, and in determining the hour, from observing on what point of the compass the sun and moon appeared. He also advises, in sailing in high latitudes, to keep the reckoning by the globe, as there, the plane chart is most erroneous. He despairs of ever being able to find the longitude, unless the variation of the compass should be occasioned by some such attractive point as Cortes had imagined—which, however, he doubts—but as he has shown how to find the variation, at all times, he advises to keep an account of the observations, as useful for finding the place of the ship. The advice was followed by Simon Stevin, in a treatise published at Leyden, in 1599; the substance of which was printed at London, the same year, by Edward Wright, with the title of "*the haven finding art.*"

In this ancient tract is described the method of ascertaining the rate of a

ship's sailing, by the Log, which was so called, from the piece of wood, or log which floats in the water, while the time is reckoned during which the line that is fastened to it is veering out. The author of this contrivance is not known; nor was it taken notice of, till 1607, in an East India voyage, published by Purchas; but from that time it became famous, and was mentioned by almost all writers on navigation, in every country. It still continues to be used, as at first, though many attempts have been made to improve it, and contrivances proposed, to supply its place; many of which have succeeded in smooth water, but have proved useless in a stormy sea.

In 1581, Michael Coignet, a native of Antwerp, published a treatise in which he animadverted on Medina, and showed that as the rhombs are spirals, making endless revolutions about the poles, numerous errors must arise from their being represented by straight lines on sea charts. Though he hoped to find a remedy for these errors, he was of opinion that the proposals of Nonius were scarcely practicable, and therefore in a great measure useless. In treating of the sun's declination, he took notice of the gradual decrease in the obliquity of the ecliptic; also gave a description of the cross-staff, with three transverse pieces, which he said was then in common use among sailors. Some nautical instruments, now all laid aside, also were invented by him.

The same year the discovery of the *dipping needle* was made by Robert Forman. In his publication on this subject, he maintains, in opposition to Cortes, that the variation of the compass was caused by some point on the surface of the earth, and not in the heavens; and considerable improvements, in the construction of the compass itself, were made by him. To this work of Forman's, is always prefixed a discourse on the variation of the magnetic needle, by William Burrough, in which he shows how to determine the variation in many different ways. Many errors, in the practice of navigation at that time, are pointed out by him; and he speaks in very severe terms of those who had written on the subject.

In 1585, an excellent compendium on navigation was published by Roderic Zamorano, which contributed greatly towards the improvement of the art, particularly in sea charts. Globes of an improved kind, and of a much larger size than those formerly used, were now constructed, and many improvements made in various instruments. The plane chart however continued still to be used, though its errors were frequently complained of.

Methods of removing these errors were much sought after; and Gerard Mercator seems to be the first who achieved this in a manner to answer the purposes of seamen. His method was to represent the parallels both of latitude and longitude, by straight lines, but gradually to augment the former as they approached the pole. Thus the rhombs, which otherwise ought to be curves, were now also extended into straight lines; and thus a straight line drawn between any two places marked on the chart, would make an angle with the meridians, expressing the rhomb leading from the one to the other. But though, in 1569, Mercator published an universal map constructed in this manner, it does not appear that he was acquainted with the principles on which this proceeded; and it is now generally believed that the true principles on which the construction of what is called Mercator's chart depends, were first discovered by Edward Wright, an Englishman.

Mr. Wright supposes, but without sufficient grounds, that this enlargement of the degrees of latitude was known and mentioned by Ptolemy, and that the same thing had also been spoken of by Cortes. The expression of Ptolemy,

alluded to, relate indeed to the proportion between the distances of the parallels and meridians; but instead of proposing any gradual enlargement of the parallels of latitude, in a general chart, he speaks only of particular maps; and advises not to confine a system of such maps to one and the same scale, but to plan them out by a different measure, as occasion might require; only with this precaution, that the degrees of longitude in each should bear some proportion to those of latitude; and this proportion is to be deduced from that which the magnitude of the respective parallels bears to a great circle of the sphere. He adds, that in particular maps, if this proportion be observed with regard to the middle parallel, the inconvenience will not be great, though the meridians should be straight lines, parallel to each other. By this, he only means, that the maps should, in some measure, represent the figures of the countries for which they are drawn. In this sense, Mercator, who drew maps for Ptolemy's tables, understood him; thinking it, however, an improvement not to regulate the meridian by one parallel, but by two; one distant from the northern, the other from the southern extremity of the map, by a fourth part of the whole depth; by which means, in his maps, though the meridians are straight lines, yet they are generally drawn inclining to each other towards the poles. With regard to Cortes, he speaks only of the number of degrees of latitude, and not of the extent of them. He even gives directions that they should all be laid down by equal measurement, on a scale of leagues adapted to the map.

For some time after the appearance of Mercator's map, it was not rightly understood; and was even thought to be entirely useless, if not detrimental. However, about 1592, its utility began to be perceived; and seven years after, Mr. Wright printed his famous treatise, entitled, "*The correction of certain errors in Navigation*," in which he fully explained the reason of extending the lengths of the parallels of latitude, and the uses of it in navigation. In 1610, a second edition of this work was published, with improvements. An excellent method was proposed of determining the magnitude of the earth. He also published a description of an instrument which he called the *Sea-rings*; and by which the variation of the compass, the altitude of the sun, and the time of the day, may be readily determined at once in any place, provided the latitude be known. He showed also how to correct the errors arising from the eccentricity of the eye, in observing with the cross-staff; made a total amendment in the tables of the declinations, and of the sun and stars, from his own observations, with a six feet quadrant, in the years 1594, 95, 96, and 97; and constructed a sea quadrant to take altitudes by a fore or back observation, with a contrivance, also, for readily finding the latitude by the height of the pole star, when not on the meridian. To this edition was subjoined a translation of Zamorano's Compendium before mentioned, in which he corrected some mistakes in the original, adding a large table of the variations of the compass, observed in different parts of the world, to show that it was not occasioned by any magnetic pole.

These improvements soon became generally known. In 1608, a treatise, entitled "*Hypomnemata Mathematica*," was published by Simon Stevin, for the use of Prince Maurice. In the part relating to navigation, the author having treated of sailing on a great circle, and shown how to draw the rhombs on a globe mechanically, sets down Wright's two tables of latitude and of rhombs, in order to describe these lines more accurately — pretending even to have discovered an error in Wright's table. But all Stevin's ob-

jections were fully answered by the author himself, who showed that they arose from the imperfect way of calculating made use of by the former.

In 1624, the learned Willebrord Snell, professor of mathematics at Leyden, published a treatise of navigation on Wright's plan, but somewhat obscurely; and as he did not particularly mention all the discoveries of Wright, the latter was thought by some to have taken the hint of all his discoveries from Snell. This supposition, however, was long ago refuted; and Wright enjoys the honor of the discoveries so justly his due,

Mr. Wright having shown how to find the place of a ship on his chart, observed, that the same might be discovered more accurately by calculation; but considering, as he says, that the latitudes, and especially the courses at sea, could not be determined so precisely, he did not set down particular examples, since the mariner may be allowed to save himself this trouble, and only mark out upon his chart the ship's way, after the manner then usually practised. However, in 1614, Raphe Haudson, among his *nautical questions*, subjoined to a translation of Pittiscus's Trigonometry, solved very distinctly every case of navigation, by applying arithmetical calculations to Wright's table of latitudes, or of meridional parts, as it has since been called.

Though the method discovered by Wright, for finding the change of longitude by a ship sailing on a rhomb, is the proper way of performing it, Haudson proposes two ways of approximation to it without the assistance of Wright's division of the meridian line. The first was computed by the arithmetical mean between the cosines of both latitudes; the other by the same mean between the secants, as an alternate, when Wright's book was not at hand — though this latter is wider from the truth than the former. By the same calculations also, he showed how much each of these compendiums deviates from the truth, and also how widely the computations on the erroneous principles of the plane chart differ from all of them. The method generally used by navigators at the present day, is commonly called *middle latitude* sailing; which, though it errs more than that by the arithmetical mean between the two cosines, is preferred, on account of its being less opposite; yet in high latitudes it is more eligible to use that of the arithmetical mean between the logarithmic cosines, equivalent to the geometrical mean between the cosines themselves; a method since proposed by Mr. John Bussat. The computation by the middle latitude will always fall short of the true change of longitude; but that by the arithmetical mean falls short in latitudes above 45° , and exceeds in lesser latitudes. However, none of these methods will differ much from the truth, when the change of latitude is small, as in a day's work.

About this time *logarithms* were invented by John Napier, baron of Merchiston, in Scotland, and proved of the utmost service to the art of navigation. They were first applied by Edward Gunter in 1620. He constructed a table of artificial sines and tangents to every minute of the quadrant. These were applied according to Wright's table of meridional parts, and have been found extremely useful in other branches of the mathematics. He contrived also a most excellent ruler, commonly called Gunter's scale, on which were inscribed the logarithmic lines for numbers, and for sines and tangents of arches. The sector likewise was greatly improved by him for the same purposes; he showed also how to take a back observation by the cross staff, whereby the error arising from the eccentricity of the eye is avoided.

Another instrument, of his own invention, is described by him, called the

by others being 12,633, when the logarithmic tables consist of eight places of figures.

Mr. Bond, in his *Seaman's Kalendar*, declared that he had discovered the longitude by having found out the true theory of the magnetic variation; and to gain credit for his assertion, he foretold, that in London, in 1657, there would be no variation of the compass, and from that time it would gradually increase the other way; which happened accordingly. He also published a table of the variation, in the *Philos. Trans.*, for forty-nine years to come. He thus acquired such reputation, that his treatise, entitled, *The Longitude Found*, was published in 1676, by the special command of Charles II., and approved by many celebrated mathematicians.

It was not long, however, before it met with opposition; and, in 1678, another treatise, entitled, *The Longitude not Found*, made its appearance; and as Mr. Bond's hypothesis did not, in any manner, answer the author's sanguine expectations, the affair was undertaken by Dr. Halley. The result of his speculations was, that the magnetic needle is influenced by four poles; but this wonderful phenomenon seems, hitherto, to have eluded all our researches. In 1700, Dr. Halley published a general map, with curve lines expressing the paths where the magnetic needle had the same variation; which was received with universal applause. But as the positions of these curves vary, from time to time, they should frequently be corrected by skilful persons; which was accordingly done in 1744 and 1756, by Mr. William Mountaine and Mr. James Dodson, F. R. S.

After the true principles of the art were settled by Wright, Bond, and Norwood, the authors on navigation became so numerous, that it would be a difficult matter to enumerate them; and every thing relative to it was settled with an accuracy, not only unknown to former ages, but which would have been reckoned utterly impossible. The earth being found to be a spheroid, and not a perfect sphere, with the shortest diameter passing through the poles, a tract was published in 1741, by the Rev. Dr. Patrick Murdoch, wherein he accommodated Wright's sailing to such a figure: and Mr. Colin McLaurin, the same year, in the *Philos. Trans.* gave a rule for determining the meridional parts of a spheroid; which is treated of more fully in his treatise of *Fluxions*, printed at Edinburgh in 1742.

Among the later discoveries in this science, that of finding the longitude at sea, by Lunar Observations, and by Time-keepers, is the principal. The science is indebted to Dr. Maskelyne for putting the first of these methods into practice, as well as for many other improvements; and also to Mr. Harrison for the remarkable discovery of the longitude by the second method. The subject of nautical science has been so much canvassed and studied, by men of learning and ingenuity, in all nations, that there seems to be little room for further improvements; and the art of navigation appears to be nearly brought to the greatest degree of perfection of which it is capable.

**ART. IV.—POPULAR PRINCIPLES RELATING TO THE
LAW OF AGENCY.***

SUCCESS in mercantile life, is founded mainly upon integrity, industry, and perseverance. It does not require that wealth, connexions, or rank, should smile upon the young aspirant. The large fortunes and the high influence which we see bestowed upon the distinguished merchants of our city, have, in few instances, arisen from the advantage of early wealth, or the countenance of great connexions. But these fortunate and prosperous men are generally to be traced to some obscure post in early life; to some country school which has sent forth its pupils equipped with some arithmetic, some grammar, some geography, but no rhetoric, logic, or philosophy, into the more laborious posts of our towns and villages. There the beginner has learned first to endure labor and bear privations—to acquire in this way habits of self-denial and hardy perseverance; and there has made honesty and good faith virtues not difficult to practice. They have learned also in this manner, from necessity, habits of economy; and when called upon to act for others, their virtues have shone out, they have attracted confidence, been favored with credit, have had a scope thus opened for their enterprise and capacity, and by persevering energy and prudence, have finally established the fortunes of princes—clothed themselves in purple, and built for themselves palaces. Such examples are shining upon us here from every quarter, and serve at the same time to guide and cheer on those who are following in the same course of usefulness.

In the progress of a person thus commencing, without wealth, and unsupported by rank, the first condition of his life will be, to bestow his services in the business of some other. He is his clerk; then becomes more confided in, and acquires more experience, and becomes a supercargo, an agent, or a factor, acting for the behalf of another, and in his absence, but upon his instructions and upon his authority and credit. He is now properly an agent. He advances still farther in knowledge of business, and in the confidence of those who witness his conduct, and is associated with some person needing his qualities, as a co-partner; and after having fully satisfied his own desires for extended business, and become earnest for the rest which years renders grateful, and wealth renders attainable, he himself calls in and patronises some young man as clerk, or partner. And in all the stages of his course, he finds it necessary at times either to call upon some friend to stand as his surety, or is called upon by some other to discharge this friendly office. It is thus that the relations growing out of agency, co-partnership, and suretyship, present themselves, of extensive application and general interest. They are, therefore, selected as topics upon which useful and popular instruction may be given: topics which may enable us to present some views of law, and of the principles of justice, which may not be wearisome, and which will enable me perhaps to fix myself in the recollections of my audience, as having been a useful as well as well-intentioned counsellor.

The great extent of these relations, and of the principles of law applicable to them, will prevent a very minute exposition of detail; but will afford the

* A lecture read before the Mercantile Library Association of New York, by Daniel Lord, Jun., Esq., on the 27th of January, 1835, and politely furnished by the author for publication in our Magazine.

opportunity of exhibiting very many interesting principles; and in every instance, it will be our endeavor, rather to consider the principle upon which our law is founded, than to seek to give the numerous nice distinctions and exceptions to which all general rules are subject, which render the law a distinct profession and science, and call forth the utmost displays of learning and sagacity.

In the course of the Merchant, as above alluded to, the starting point is the situation of a clerk and agent: with the discussion of the principles applicable to that relation, we therefore commence.

The duties of a clerk are so generally under the immediate direction and conduct of his principal, that they need no explanation in the law: his acts are, in fact, almost absolutely the personal acts of the principal himself.

An Agent is one who acts on the behalf and by the authority of another. And his acts are deemed those of this other person, who is called his principal. Our purpose is chiefly to consider those agents, who are not acting under the very eye and in the personal presence of the principal; for such a state can give rise to few relations: but to those who act for others not present, and who therefore represent their principal's interest; who may err, to their own detriment; who may do acts embarrassing or injurious to their employer; or who may be the means, however innocently, of contracting nugatory arrangements with others, relying on their good faith, through a want of authority or other peculiarity of their situation.

The first particular to be considered is, *that the agent acts in behalf of another.* If while agent he acts upon *his own behalf*, either without the scope of the business in which he is engaged as agent, or acts in his own name, and professedly for his own benefit, neither he nor the persons with whom he deals, can have any connexion with the principal. Obviously here the agent cannot claim his principal's protection, or his adoption of such an act. Nor can the stranger dealing with him, who does not intentionally contract with a principal not presented to him as a party, and who therefore can only be supposed to rely upon the actual contracting man, make any claim in justice upon the principal. In such a case the principal has been left out of sight altogether, and can only come into view at his own choice.

But can he at his choice come in to such a transaction, and make himself a party and claim the benefit? In some cases he may. If in such a departure from his agency, the agent has employed the funds of the principal, either property or credit, the principal has a right to say, "you could not honestly employ these funds but in my service: you cannot pretend against me, that you intended a dishonest misapplication of them: although you have gone out of your duty, so that I am under no obligation to sanction what you have done, yet I choose to do it, and unless you confess yourself a dishonest man, you cannot object to it." This argument is sound in law: and in such a case the agent exposes himself, if the adventure is a losing one, to bear the loss, and if a gaining one, to lose the profit. And as he has violated his duty, he can make no just complaint, nor receive any honest sympathy.

In the event also of an agent who has given to his principal the disposition of all his time or services, whatever he does, may be claimed by this principal, who has a right to say, that the time and services were his, and that the fruits they have yielded shall fall into his lap. This, however, is a case of very different merit on the part of the agent: and if he has not neglected his principal's affairs, the latter would be using his rights at least harshly, to

refuse to his agent the benefits of such an affair. The law, however, wisely considering the temptation afforded to such neglect, if it allowed the agent under such circumstances to use his time for himself, gives the option to the principal, and leaves the agent at his discretion.

In accordance with the same wise caution, the law will not permit the agent to act as party and agent in the same transaction. If one be authorized to purchase or sell goods for another, and the agent himself has the goods to sell, or desires to purchase, he may not do it. The party giving the order may refuse to accept the goods if the agent sells his own to him; or probably he may accept the goods, and refuse to be bound by the price charged, but may question its justice. If the agent attempts to buy the goods he had on sale for his principal, without the express consent of the latter, after full knowledge, the latter may, at his election, either hold him to the bargain as purchaser, or refuse it, and hold him to account for any greater price or value which has been or can be obtained for it at the same time. It may be asked, what injury is done to the principal, provided the agent in selling, sells his own goods of the kind required and at a fair price; or, if in purchasing his principal's goods, he gives him as much as can be had. Perhaps in a given case there may be no injury; but it is evident, that the agent having his own goods to sell, will make few endeavors to buy for his principal at the best terms: nor will he, if desiring to purchase, and permitted to do so, be very anxious to find a better purchaser. Although in instances there might be no injury, yet as a *general principle*, it would be improper to allow the possibility of the agent finding his interest in conflict with his duty. The law willingly takes away the temptation: by a general rule it puts the agent, in such case, as in the other above stated, wholly at the principal's mercy, leaving it to the latter to claim the bargain if a good one, and to turn the bargain upon the agent if a bad one. These are the wholesome principles of the common law, and show the purity of its ethics and the wisdom of its policy.

The agent acting in behalf of another must in his transactions disclose his character as agent. This is an obligation towards him with whom he deals. If this be not done, such other person has a right to hold him as the actual party, leaving him to the indemnity and protection of his principal. The stranger has also the right, on discovering such undisclosed principal, to resort directly to him. Here the stranger has the option, at the agent's disadvantage. The agent is bound, because he suffered the stranger to suppose him the actual party; the principal is bound, because the agent was authorized to bind him, because he expected to be bound, and because he is entitled to the benefit of the contract, and because the not disclosing was the omission of a man selected by himself.

In such a case, as it is above observed, the principal has a right to claim the benefit of the transaction, directly and openly, in his own name, if he chooses so to do. And if the stranger would have any advantage by treating the contract made as the contract of the agent, this advantage is secured to him. Any rights of set-off, or otherwise, against the agent if he were principal, are secured to the stranger against the principal thus intervening. The ordinary mode of effecting policies of marine insurance, is to some extent an instance of this rule. The policy is usually in the agent's own name, without the disclosure of the principal, and often without the disclosure of his being agent. The principal, however, can always claim the contract. And, as the insurance contract always rests upon interest in the subject to be

afterwards disclosed, it is not here true, as in ordinary cases, that a set-off against the agent will be allowed against the undisclosed principal.

In sealed instruments, however, if an agent does disclose his agency, but nevertheless puts his own hand and seal, and does not sign the name of his principal, he is responsible himself, and stands the contracting party. The reason seems to be, that, unless the sealed instrument be sealed with the principal's seal, and in his name, it cannot be treated in the law as his deed; and, if not the principal's deed, as it is the deed of some one, it is, of course, the agent's deed.

And an agent may, although disclosing his agency, use language importing personal obligation on his own part, and if he does, the obligation adheres to him. His being agent obviously does not supersede or render impossible the binding of himself, if he is so careless or complaisant as to do so.

And, in relation to negotiable paper, an agent, acting within the scope of his agency, may, even to his principal, be liable, if he signs his name without qualification. As if an agent here, remitting the proceeds of a sale to his principal in New Orleans, should draw a bill on the purchaser in favor of the principal, such agent would be liable on it, unless, in the very advice of the sale and remittance, he expressly disavows the liability. Otherwise, his principal is put off his guard. He receives paper containing the form of a personal obligation from one in whom he has confidence; he treats it as secure, and makes his arrangements accordingly. The agent in such case must not withdraw from the position in which he has placed himself, that of the responsible party. In unsealed writings, the personal liability of the agent depends often upon the mode of his signature. If he signs his own name, without qualification, it affords strong, although not conclusive reason, to charge him as one contracting personally; if he adds the word "*agent*," it is ill, unless the name of the principal appear on the face of the paper, he may often be charged personally; for he ought, where he does not intend to bind himself, to give the responsible name of him who is bound. And in all cases, and however he signs, if he acts without authority, he is personally liable on the contract. The agent should always, in the signature, express both the principal's name and his own.

Thus much for the position, that the agent must act on the behalf and in the name of his principal.

The next part of our description of an agent is, that he must act by the authority of his principal. Without this authority, he cannot require the principal to protect him in his acts; nor does he give, ordinarily, the responsibility of his principal to those dealing with him on the faith of his being so authorized. For it is by no means true, in general, that the circumstance of a man's depending upon the faith that the agent is authorized, gives him any title to compel the principal to adopt the act. This title is given only when such reliance is caused by the carelessness or fault of the principal in clothing the agent with the appearance of authority not possessed.

In considering the authority of an agent, we may first inquire how it is granted; next, ask what rules are to be applied in construing and understanding it; and lastly, observe how it is revoked.

It is very frequently created by an instrument called a letter of attorney, under the hand and seal of the principal. This formal (or, as the law terms it, solemn) mode of granting authority is necessary, when a bond, deed, release, or other instrument, to which a seal is essential, is to be executed; it is not necessary in other cases. It is necessary in these cases, because the obligation created by a sealed instrument is of a character so grave, so incon-

trovertible and so entirely binding the party, that the use of the solemn form of authorizing the agent is requisite to show the principal's assent to the high obligation: and it is also necessary from a technical rule of the common law, that no instrument under seal, executed out of the personal presence of the party, can be treated as a deed, unless the instrument conferring the authority have been executed with the same formality as would be required of the principal, if he were personally acting. Witnesses to the sealing, although sometimes convenient, especially where the party executing cannot write, are never essential. In most instances, therefore, authority to transact business of the largest extent may be conferred by mere verbal communication, or by simple letters: and the immense mass of commercial agency of Europe is transacted upon the authority of letters merely. Authority by oral communication is equally valid as that by writing not under seal. But although these modes be equally effectual as to validity, they differ greatly as to advantage. The written authority can be more exactly perpetuated, not depending upon the intelligence, the memory, or the integrity of witnesses, but resting upon that singular phenomenon, the peculiar identity of hand writing. It can also be more conveniently exhibited to the examination of those who are to rely on it; it can also be deposited in the hands of some common depository to serve the convenience of all who deal on the faith of it, however numerous, and for the protection of the agent himself. For be it remembered, the agent is always responsible, that he is authorized to do such acts as he professes to execute.

Indeed in the universal usage at the present day, to make writing the means of conferring commercial authority, except by parties in the same place, one would probably be justified in refusing the act of an agent, not sanctioned by the writing of his principal.

Agents or attorneys at law, are considered as appointed by a record: They are empowered, and their authority viewed, upon principles peculiar to themselves: although entitled by virtue of his mere declaration in court that he is an attorney, to receive sums however great, to discharge debts, to modify engagements, and in the most serious manner to affect the estates and persons of those he professes to represent, the attorney at law may act without authority under seal, without letter, and indeed without authority at all; and his acts will be not only binding but generally conclusive. The Courts assume his authority to be perfect, and should it not be, the parties are left to take their redress against him. This in theory seems exceedingly dangerous; yet in practice has produced little ground of complaint. It is founded on the confidence which Courts place in their own officers. They have a right to exclude attorneys in the first instance from that office; only admit them, upon taking oaths of fidelity; they hold over them a summary jurisdiction and inquisitorial authority; may compel them by close imprisonment to answer interrogatories accusing themselves; may without jury deprive them of their profession and means of support, and commit them to close prison for disobedience and mal-practice, and this without the right of a review of their decree upon them. It is a matter, therefore, not a little serious, for one thus circumstanced to perpetrate a fraud on the Court: and these circumstances with the fact that these attorneys are bound by day and by night to keep watch on one another, are for the most part men of liberal education, render the possession of this great power of representing others, in the hands of attorneys at law, quite harmless: it renders proceedings in courts more easy

and simple, and most effectual to be relied on as a protection in the termination of a controversy.

But authority may be conferred on agents, by other acts than expressions by word, writing, or letter of attorney. Permitting a man to act as agent, and repeatedly adopting such acts, gives the public a right to suppose him clothed with authority: such acts, if the person be not authorized, tend to mislead into a false reliance upon the conduct thus permitted, and would afford the means of great injustice and fraud, unless an agency were implied. An agency may under such circumstances be implied; and that against most positive proof that it was not conferred nor intended to be; and to an extent beyond what ordinarily can be found granted. Of course this authority will only be inferred in favor of persons in good faith, relying upon such conduct, and not knowing that it is unauthorized. In cases of this kind, the question is, what had those who dealt with the supposed agent, a right reasonably to presume from the acts of the supposed principal, and to such extent, however wide, the authority is inferred. Such inferred authority may sometimes arise from acts not intended with ill design and only careless; and it is a necessary caution to all likely to have others assume to act for them, that they should be most careful in sanctioning acts at the time apparently insignificant or to their advantage, as they may be mere combustibles forming the first part of the magazine to burst on them in ruin.

Authority may sometimes also be acquired from mere circumstances of necessity. The master of a ship, for example, has no direct authority from the owner of ship or cargo, except merely to navigate the former or convey the latter with his best skill and caution. But disaster may befall him, his ship get into distress and be driven for refuge into some port where he has no funds nor means of refitting his shattered barque or damaged cargo. In such cases the law will permit him, in consequence of the mere necessity of the case, to sell the cargo in whole or in part, as necessity may require, and to pledge his ship at high interest to raise all such money as he may need. In case, he cannot by any such means refit his adventure, he may sell the wrecked ship and cargo, and his acts in good faith, and without other authority than mere necessity, are justified both as to himself and to those who deal with him.

Sometimes also goods may be ordered to be shipped from one country by a merchant in another, and on their arrival may so far deviate in quality, price, or terms of sale, as not to answer the commission given. What in such case is to be done? The shipmaster cannot retain them: the consignee by accepting them in silence, may be charged with a waving of his objection to the deviation from his order, and if not taken care of they may perish. It may be, too, that although the goods come clearly differing from the merchant's intentions or expectations, yet the orders may be susceptible of doubt and difficulty in their construction, and it becomes very desirable to make the loss and eventual stake of controversy as small as possible. Under such circumstances, if the merchant to whom the goods are sent, immediately declines receiving them, as not being conformable to order, and declares that he accepts them only for their preservation, he may do it in safety, and becomes agent by necessity. He may, as such agent, have every measure adopted for the proper preservation of the property: if perishable, he may sell it, using honest and fair diligence in so doing, and his acts will be deemed those of an agent merely, the agent of him whom it shall finally be found to concern. The acts authorized in such case are, however, only

such as the necessity of the case requires ; if the party go beyond this limit, he will be chargeable with the property. The principle of these cases is obvious. It is not in terms, *that necessity knows no law*, but it is that the necessity *makes* a law : and property will not be left to be ruined merely because it is without a formal protector. In such cases, the property itself becomes chargeable for all the necessary expenditures, and may be held as a pledge for them.

A frequent instance of this kind of agency arises in the case of the abandonment to insurers of goods insured : if the insurer accepts the goods, he becomes liable for the claim, however ill supported, unless fraudulent ; and if the merchant, after abandonment, acts as owner of the goods, he is deemed to waive his claim for the loss founded on the abandonment. In this situation, he may take all necessary measures for the preservation of the property, may sell it, if perishable, and probably may, in other cases, giving notice to the insurers of the time and place of sale, and causing that to be public.

Generally, therefore, property in an unprotected position may be taken care of, and its safety provided for, without prejudice to any rights in relation to it ; and the persons doing these acts, form the class of agents by necessity, and their conduct is more favorably and liberally to be regarded.

Authority committed to an agent cannot ordinarily be delegated by him, without express assent of the principal. Where one man is authorized to act for another, he is presumed to be trusted from a confidence in his personal qualities of integrity, skill, and responsibility. If he can turn over the principal's business to another, it is clear that the principal could make slight dependence upon his own judgment in the selection of his agents. All arrangements might thus be defeated. It cannot, therefore, be done without an authority expressly to appoint substitutes or delegates. This rule, however, does not apply to subordinates of the agent, not authorized to complete business without his supervision and personal interference. Some agencies too, from the course of business, imply a power of delegation ; such is often the case of supercargoes, trading to places where the business of buying and selling cargoes is by law, or known usage, confined to merchants of the place.

Authority, in whatever mode conferred on agents, may sometimes be discretionary, and sometimes not ; and this character of authority is of the highest consequence, as well to the agent as to the principal and strangers.

If the authority give no discretion to the agent, the act to be done must be performed as soon as practicable, at whatever consequences. If goods be consigned to be sold on arrival, the agent must sell on the first opportunity, and cannot wait for a change of market, whatever knowledge of the market he may possess, whatever be his desire to promote his principal's interest, whatever be the prospect of certain loss in obeying orders, whatever certainty there may be that his principal has not understood or expected the state of things which has occurred. If he alleges his good faith and pure intentions, his knowledge and skill, the answer is at once, that nothing was trusted to good faith or intentions, for no discretion was granted. The order was plain, the principal could not complain if it were complied with, and the risk is not the agent's ; he must therefore comply. By saying, however, that he must sell at the first opportunity, it is not meant that he must close with the first offer, be it what it may ; this would defeat the very purpose of agency at all. But it is meant, that the agent must not, in such case, attempt to wait any change of times, but must make the sale without delay, and at the best price, and on

the best terms he can then do. And so of all other cases where no latitude is given: *For a deviation from orders there is no excuse.* The principle is general, and founded upon the absolute right which the principal has over his own affairs, and then that those he employs are to interfere with this control only when he himself permits it.

Widely different, however, is the situation of an agent, having discretionary authority. His acts are always justified, if done in good faith, however unfortunate the result of his judgment may be. The exercise of good faith, of course, requires reasonable diligence; for the want of ordinary diligence, such as men of common prudence in general bestow in their own affairs, is, in an agent, equivalent to a want of good faith. He is paid for care, skill, and exertions, and he is bound to exhibit them, but if he does, the consequences are not at his door. No man can command success, although every man can command his own best endeavors. In dealing too with an agent having discretion, strangers are altogether freed from any other inquiries as to the agent's conduct, in the exercise of that discretion, than as to his good faith.

The construction to be given to the authority of an agent, next demands our notice.

Construction is the true understanding of what the author of an instrument or communication means. His language may be obscure, or contradictory; it may be defective or ambiguous. It now becomes a painful duty of the agent to ascertain the true meaning of his principal in his orders; if he mistake it, he subjects himself to the unpleasantness of disappointing his principal, of becoming subject to claims on his part for damages, if not to actual liabilities. Those also who deal with the agent, need to know if the authority warrants the agent's act, otherwise it may be disavowed by the principal, and all their dependence on the agent's acts rendered illusive.

If there be an ambiguity, fairly appearing to have been designedly such, probably any possible construction which it could admit would be sanctioned, for the law so abhors deceit and treachery, that it will at all possible times prevent their success, and disappoint the injury they contemplate. But such an ambiguity is not often to be expected.

The rules of construction material to be noticed are these: the general scope and object of the commission are to be taken into view, and such meaning given as the expressions will bear, most consonant with such general purpose. All expressions are to be understood in their usual and ordinary meaning in the branch of business to which the agency relates. No authority is to be implied, except by fair and necessary inference; the authority is to be taken strictly, that is, not to contain more than it most clearly implies; both because a man is not presumed to give more control over his affairs than his language necessarily imports, and because erring by a strict construction, the agent is on the safe side, and is not exposed to exceed his power.

But, where a man is the general agent of another, and his acts are held out to the world as of one having a general control of the affairs of his principal, or of some branch of them, then the question of construction never arises. The agent is a duplicate principal as to strangers. The public are governed by the ostensible general authority, and no private limitations or restrictions, either in the instrument conferring the authority, or in subsequent orders, affect strangers in their dealing with the agent. Plainly, from the nature of the case, they cannot be known to, nor suspected by, those who look to general conduct for evidence of the agency. In the cases of general

agency, then, the only question upon this subject that can arise is, whether the act done by the agent was within the ordinary range of the business entrusted to the agent ; if it was, the principal is bound ; otherwise, not.

Factors, to whom goods are consigned for sale on account of their principal, are agents whose authority is partly limited, and partly of a discretionary character. His authority is only to sell ; he therefore cannot pledge the goods, either for his own debt or that of his principal ; he cannot exchange them by way of barter or traffic, and in all respects his power is strictly limited to a sale, and sale only. But, in making the sale, he has authority of a discretionary character, so far as the validity of the contract of sale is regarded. Therefore, if in the sale he deviates from orders, by selling at an under price, by giving a credit beyond his orders, by warranting the article without authority, his contract is valid, and the principal is bound ; his property is sold, and his liability fixed. But for all this deviation or transgression of orders, the agent is responsible to his principal.

The application of this principle to the contracts of factors has often given rise to cases of great hardship : strangers dealing with factors having property in their possession with every mark and indication of ownership, have lent money or assumed responsibilities in reliance on the pledge of the goods in the factor's hands ; and after a lapse of time, and a full settlement of accounts with the factor, and after he has become insolvent, and failed to account to his principal for his property, the latter discovers that it has been pledged to a stranger, and claims it of him. In vain does the stranger allege that he acted in good faith, and that he was ignorant of any violation of the agent's duty ; the law answers for the principal, and declares, that, not having authority to pledge, the transfer by way of pledge was void. In vain does he allege that the money raised by the pledge was applied by the agent to the principal's use ; the law answers, the agent had no more right to borrow money for the principal than he had to pledge the goods ; and the principal, therefore, is not bound to the stranger, who can look only to the agent. In vain does the stranger allege that the agent was entrusted with the ostensible ownership, and that he had the possession and control of the property, and that the principal, by his incautious confidence in the agent, has enabled him to obtain credit on it ; and that of two innocent persons to suffer by the fault of another, he ought to suffer most who has been the means of the loss ; the law has another denial to give, in its principle, that in dealing for personal property, your only guaranty for a title is the personal responsibility of him with whom you deal ; and that no apparent ownership, nor any degree of good faith and vigilance in a party acquiring personal chattels by contract, will give a title where the party attempting to give it had none to give — a principle of the common law, founded at an early period, before the common law had begun to listen to the appeals of commercial expediency, and originating in the desire of preventing the owner of property taken by violence or fraud from losing it by artful or numerous transfers from the delinquent, and rendering it necessary upon every transfer, that the parties should know each other well, or should make careful inquiries as to the title.

But, within a few years, statutes have been passed in this state and in England, protecting persons who in good faith shall have made advances upon property in the hands of factors for sale, and relieving this branch of the commercial law from the severe and inequitable rules founded upon the circumstances of an antiquated state of society ; and, while the statute has thus exposed the principal to the misconduct of his own agent, in this, as in other

cases, it has, as an equivalent, protected him from the fraudulent misconduct of his agent, by making such misconduct a criminal offence, and by menacing the agent with the threat of a penitentiary.

Having considered the authority of an agent, his mode of acting, and the principles governing it, most of the duties of an agent have been touched upon. It may be added, in general terms, that the agent is bound to comply with his orders, to use his best diligence and judgment in conforming to them, if restricted, and in accomplishing his principal's designs, if discretionary, and to keep him constantly instructed of his proceedings. The latter duty, of keeping up correspondence, is not only part of reasonable diligence towards his principal, for the consequences of a want of which the agent must suffer, but it is important for the agent's protection in the case of accidental breaches of orders; it puts his principal under the necessity of making his complaints immediately, when the injury may often be remedied, or of being deemed to have abandoned all cause of complaint.

The agent, however, we will suppose, has deviated from orders, has acted without authority, and has communicated the matter to his principal. Now is presented the doctrine of ratification and adoption.

Ratification is the sanctioning of an act done contrary to the agent's authority, and adoption is the taking the contract or act made or done out of the sphere of the agency, or, in other words, without authority. They are both acts of the principal, which do not, like original contracts, depend upon any new consideration or transaction for their validity. They result from the agent's assuming to act in the behalf of the principal. When the latter assents to it, by this assent he consents to admit that the agent was authorized, and by the admission he becomes liable and entitled under the contract, acknowledges himself party to it, and frees the agent from all complaint.

Ratification is either express or implied. When the party in whose behalf an agent undertakes to act, in terms expresses his assent to the act, or directly and in terms claims the benefit of the act, this is an express ratification or adoption. When upon being apprized of the agent's conduct, and having the opportunity to disavow it, the principal keeps silence or speaks equivocally, the ratification is implied; he is presumed to assent, although in fact the very silence or equivocal communication was intended to avoid a ratification. The principle of this seems to be, that as the agent acts professedly for the principal, and without a view to his own advantage, as the latter has the right by express assent to take the benefit of any favorable result in the matter, it is but fair that he should make his choice at once, and be deemed to have chosen that alternative which will not expose the agent to a claim, unless he expresses the contrary. Having the advantage of the choice, it is but right to hold him to the immediate exercise of it, and to deem him to have chosen the part which leads to no complaint nor litigation. It is also to be supposed that by as early notice as possible, the agent may take measures to avoid the ill consequences of a deviation from his authority, and if the principal does not, as far as he can, give the agent this opportunity, he ought not to hold him responsible for consequences which might in whole or in part have been avoided or remedied. If these be the principles of implying a ratification, the question may well be asked, suppose a palpable violation of orders, without a possibility of benefit to the principal or of remedying the condition of the agent, would silence be a ratification? This question implies so much fault and imprudence on the agent's part, that it may well be left in doubt, in order

that no one may have reason to believe in his impunity who shall place himself in such a position.

The assent or dissent of the principal must be entire; if he assents in part, he cannot reject the residue — his assent is to the whole conduct.

To all ratifications, it is essential that an honest communication have been made by the agent; it implies a full knowledge by the principal of what he is supposed to assent to. Nothing, therefore, is to be gained by half disclosures, by partial or distorted statements, in order to entrap a principal into a sanction of the agent's misconduct. Unless the agent have fairly apprized him of the matter, the ratification is ineffectual, and the agent will have the wretched satisfaction, that having failed in his duty, and used deceit to get it pardoned, the pardon wants the necessary force to give him any exemption.

The compensation to the agent, although the very life of his activity, demands but little illustration. Where agreed upon, the agreement of course governs; where not, the agent is entitled to a reasonable compensation for his services. This is to be ascertained, according to the usage of the business in which the agency is employed, and may be a commission, salary, or estimated allowance, for the value of the particular service rendered, and its amount is to be assessed, in case of disagreement between the agent and principal, by their peers, a jury.

A deviation from orders does not of course forfeit all claims to compensation. The principal is entitled to indemnity against the misconduct of the agent, but the latter still is entitled to his stated compensation. It is not a principle of the law to facilitate forfeitures, or for a small damage to inflict a severe loss; forfeitures are always avoided by the law, they are never implied; even when stipulated, they are often relieved from: and when actually arising upon positive stipulations, which cannot be evaded by construction, nor passed by without execution, yet the slightest circumstance recognising the forfeited right as still existing, will be held a waiver or relinquishment of the forfeiture.

Neither will every fault justify the termination, by the principal, of the agency for a stated period. To justify such a termination, (a dismissal of the agent from a service for a stipulated period,) there must be some fault going to the very basis of the relation of the agency; a mere instance of neglect, a violation of orders through inadvertence or accident, although it would subject the agent to make good the loss, would not justify a withdrawal of the agency; but acts evincive of dishonesty, detection in the more permanent vices, such as gambling and drunkenness, a plain rebellion and resistance of orders, showing a determined insubordination, would justify the termination of an agency. Of course, in speaking of an agency to be terminated, is meant one not engaged for at the mutual pleasure of the parties, but for some definite specified period.

Connected with the agent's compensation, is his right of lien for the balance due him, as well for what he may have paid or for what he has assumed, as for the balance of his commissions; and this lien he has, not only upon the property and effects connected with the transaction upon which the advances, liability, or commissions accrued, but he has a general lien for all that is due to him as agent, on all the property and effects of his principal which shall be in or come to his hands as agent.

This right, however, does not extend to protect debts which the agent contracted with his principal in the general course of commerce, and not arising

out of the agency ; nor does it apply to property which has come to the hands of the agent otherwise than in the course of his agency ; the agent may not, by pretence of a purchase or by any deceitful representation, obtain his principal's property, and hold it for his balance ; he cannot buy up his principal's notes, and hold his property as security, or set them off against his claims. The law gives the lien only in consequence of the confidential character of the relation between principal and agent, and of the importance of giving it every protection and encouragement.

There is another subject connected with the agent's lien needing notice ; it is the principal's right to reclaim his goods and their proceeds on the agent's failure. It often happens that an agent, selling goods for his principal, takes the note or other securities from the purchaser in his own name ; that he sells the goods of divers persons in minute portions to the same purchaser, and takes one note or security for the whole ; and upon the agent's insolvency, he is pressed by urgent creditors to apply the securities thus obtained to secure his own debts, and not to return them to his principal. Can the principal in such cases trace the securities ? It is clear, in all such cases, that the agent, knowing his principal's rights, has attempted to apply his property to pay his own debts. As to him, it is a clear fraud and violation of authority, and between them void. What, then, is the situation of him to whom such securities are thus passed, against right and without authority ? Has he received them upon an old debt, as the best security he can get ? if so, he cannot retain them ; he must be remitted to his old debt, and give back his securities, and he and the principal must both stand in the situation in which they stood before the agent's fraud. Has he taken the securities from the agent upon making a new advance upon the faith of the securities ? if so, he may retain them, not because the agent had the power to pledge them, but because it is for the public good that advances in good faith upon negotiable paper shall be protected, and, out of regard to public policy, the person thus situated is protected. But has he taken the securities with a knowledge that they did not belong to the agent, or after they had become due ? then he cannot hold them. Taking them with knowledge that they were not honestly at the agent's disposal, he is a party in the agent's fraud, and can derive in law no advantage from it. Taking them after they are due, they are no longer protected by the policy which stands around the title of negotiable paper ; the exigencies of commerce do not require the circulation of notes or securities which are dishonored, which have not been paid when due ; and, no commercial policy intervening, the taker of the securities can only protect himself under the right of him who passed them, and if the latter could give none, the taker could have none.

The rule, therefore, is, that upon the failure of an agent, all the effects of the principal, in his hands or in the hands of persons to whom he has passed them, may be reclaimed by the principal ; excepting, only, negotiable securities, put in circulation before they fall due, to persons taking them in perfect innocency of fraud, and making an actual advance of property on the faith of getting the securities.

An agent cannot offset his own debt to a stranger against one the latter owes his principal ; this is sometimes attempted, on the plausible idea, that, as the agent might receive money from the principal's debtor, and pay the same money to the same person in satisfaction of his own debt, therefore the offset, which merely does the same thing without the formal exchange of dollars twice upon the counter, is equally available. It is not so, however ;

no such offset is permitted. It is, in fact, a taking of the principal's property and paying the agent's debt with it, and that in the knowledge of both parties to the transaction. Nor is it protected as a payment would be. Payments are always protected when made to a party entitled to receive, and money is not permitted to be traced, nor title to it impaired, by defects of title in previous parties who have had it in hand. And to bring a transaction within this principle, the payment must be actually and honestly made; if this is done, the debt paid is extinguished, the money in the hands of the agent cannot be restrained from circulation, and he may therefore apply it to the purpose he thinks fit. And if this is done to his own creditor, without collusion on the part of the latter, he may hold it; but under no other circumstances.

It remains to consider how the relation of agency terminates.

Death of the principal terminates the authority of the agent at once. And his acts done after the moment of the death, are void, although the death were not and could not be known to the agent, or to the party with whom he is treating. This principle operates sometimes severely, where the contract is made, and money paid on it, with an agent, without the smallest ground to know or possibility of suspecting the previous death. Such, however, is the well established law: The reason seems to be, that the acts of the agent are only effectual as acts of the principal; and it is absurd to treat any thing as the act of a principal which has been done after his death.

This principle is very important to be taken into view, when a power of attorney to transfer a ship, or stock, or other property, is relied upon as a security; death still revokes it, and the security is gone, and the property must be distributed among the general effects of the principal: and if a party will rely upon such an instrument as security, no court of law or equity can help his inadvertence. He has relied upon a security which has in its nature an infirmity, and he must not complain that it is not a different thing. Very heavy and extensive transactions are daily conducted in this city, upon such reliance.

The death of the creditor would in such a case also have the same effect.

The best mode to obviate such a difficulty, is to let the security always contain an effectual transfer of the property; if the parties wish the transfer not to be known, it may be kept secret, and it will still be valid as between the parties and their representatives. If it be not valid as to other creditors, perhaps, still, it is not less valid than a secret power of attorney.

Another mode of obviating the difficulty is to insert in the power of attorney, or similar instrument intended as a security, a covenant by the party granting it with the one named as attorney, as a trustee for himself and those who should deal with him on the faith of the instrument, binding his executors to ratify such acts as should be done after his death in his name before notice of the death; it is supposed that such a covenant might receive a specific execution in a court of equity to protect the parties relying on it. Still it is but an inconvenient expedient.

An agency may also be terminated by an express revocation. This is done by a letter either sealed or unsealed, (sealed powers of attorney, however, being supposed to require a letter of revocation to be under seal,) delivered to the agent. His acts thenceforth are nugatory, and he becomes responsible to those who deal with him as agent, for his unauthorized acts: and in some circumstances his presuming so to act might amount to legal swindling. Unless the agency have been a general agency, public notice of the revocation cannot be required of the principal, as the condition of his being

freed from liability for the agent's acts. Parties, therefore, dealing with an agent, always run some risk of the authority having been revoked, in which case, they have not the act of the principal. This may be prevented by providing in the letter of attorney that it shall continue until a letter of revocation is lodged with a certain person, or until advertisement in the newspaper in some particular place. A general agency requires notice of revocation to be published, and also a particular notice to be given to all who have dealt with the agent, unless some satisfactory proof can be shown of such persons knowing the revocation.

As an agency is revocable in its very nature, an agreement not to revoke it, or the insertion of the words "attorney irrevocable," or the like, do not prevent the revocation as between the parties; such agreements may avail to expose the revoking party to damages for breaking his contract, but do not confer upon agency that which is contrary to its nature, namely, impossibility of revocation.

Such is a brief and popular view of the principles of the law relating to agents; the extent of its application, however, would be wrongly conceived from the simplicity of its principles.

When we contemplate the vastness of modern commerce, the immense capitals in the hands of individuals frequently infirm through years or sickness, or overburdened with innumerable cares, we need scarcely ask, how could all this commerce be conducted without agents. A merchant could trade not only with only one country and in only one place, but he could conduct only one adventure. That adventure, too, must be such as is adapted not merely to his energy of mind but to his strength or weakness of body. Without agency then, how is Sampson without his locks! How would commerce resemble Napoleon standing upon his solitary rock, without his armies, and dying of a cancer in the heart! It is by this bringing into aid and subordination, the powers of others, by bringing in the young to exert their youthful powers, the vigorous men of middle life to traverse the seas, to range the forests, to course the deserts, that modern commerce touches at once the extremes of longitude, and subdues alike the Equator and the Poles; She crosses the oceans, tracks the African deserts, and conquers the plains of Asia.

How important, then, that the principles of this co-operation should be fixed by the rules of law, and, still more important, protected by the higher, deeper, and more absolute sanctions of moral principle and religious obligation! The law can only fix rules for that which the eye of man can discover and the hand of man avenge. But it cannot reach the unsuspected neglect, the silent, the secret embezzlement, the mysterious sinking at sea, nor the final evasion and escape of the faithless agent into unknown regions. These, and thousands of other consequences of the faithlessness of those who render but an eye service, are to be avoided only by a deep sense of religious obligation, and a continual cultivation of moral principles among the young; by a cherishing, also, on the part of those more advanced in years and in honors, of those institutions, which furnish to the young interesting occupation, useful knowledge, and a proper sense of their own duties. It is by holding up to them the encouraging prospect of the advantages of truth, good faith, probity, and diligence here, with the more considerable, the immeasurable consequences hereafter, that commerce is from time to time to derive her conquering legions of faithful, persevering, and useful agents.

ART. V.—MERCANTILE LAW CASES.

SALVAGE — FREIGHT — CHARTER PARTY — NEUTRAL SHIPS — CARRIER SHIPS — ADMIRALTY JURISDICTION — CONSULS AND SEAMEN — SEAMEN'S WAGES — BOTTOMRY — CARELESSNESS OR NEGLECT — BILLS OF EXCHANGE — CLASSIFICATION OF GOODS — RIGHT OF SECURING DUTIES AT THE HOME PORT — FRAUD ON THE REVENUE.

[We are indebted to P. W. Chandler, Esq., the editor of the Law Reporter, for the following condensed account of a case of great interest, recently decided in Boston.]

THE ship Nathaniel Hooper sailed from Havana, in the island of Cuba, in June, 1838, with a cargo of sugars, to be carried to St. Petersburg *via* Boston. In the course of the voyage, about the 8th of July, 1838, she struck on the South Shoal, so called, of Nantucket Island, and was there left by the master and crew, after an unsuccessful jettison of part of the cargo, about one thousand boxes of sugar. She was left by her captain, and in this situation being discovered by the brig Olive Chamberlain, a mate and part of the crew thereof were placed on board. The ship had suffered by striking on the shoal, and leaked badly. She was put on the course for Boston, and afterwards fell in with a fishing schooner, the Climax, from which the assistance of an additional crew was obtained, and the ship then reached Boston about the 11th of July, and before the master himself arrived, who came round by land.

She was immediately libelled for salvage, and the cause was heard by Judge Davis, of the District Court of the United States. The evidence in the case was very voluminous, making nearly one thousand folio pages, and eight days were occupied in reading it. The counsel were Messrs. *Mason, C. G. Loring, Betton, Choate, Bartlett, and Brigham*, for the salvors; and *C. P. and B. R. Curtis, Blair, and Parsons*, for the respondents.

Judge DAVIS made a decree, giving to the salvors one half of the nett proceeds, reserving some points, made by the owners and insurers, arising out of the alleged misconduct and perjury of a portion of the salvors, as bearing upon another part of the case, and to be decided when the question of the division of the salvage was considered. The opinion was quite brief. The judge decided that the Nathaniel Hooper, though not derelict when the master and crew first left her, because they left with the purpose of return, yet became derelict when the master and crew afterwards gave up the pursuit of her, in the belief that she had sunk. And, being thus a case of derelict, he felt bound by recent decisions to apply the rule of one half, as he considered this rule now so firmly established as to leave the court almost without a discretion in the matter, unless there were manifest reasons for reducing the salvage, of extraordinary force, which reasons he could not clearly perceive in this case. From this decree the owners and insurers claimed an appeal. But the parties subsequently agreed among themselves upon the *amount* of salvage, and the decree of the District Court was modified accordingly, to the effect that the whole sum to be awarded as salvage of the ship and cargo should be \$25,000, and that a further sum of \$2,000 should be charged on the funds in court for fees of the libellants' counsel, whereof the sum of \$1,000

was to be paid to the counsel of the libellants in the original libel, and a like sum of \$1,000 was to be paid to the counsel of the libellants in the supplemental libel.* The costs of the cause to be charged on the funds in court.

There were several distinct claims arising in the case, and not included in the general adjustment between the parties, which were argued at different times before the Circuit Court of the United States on appeal, Judge Story presiding, and which we will now present in as condensed a form as possible

The claim we will first consider, is that of the owners of the ship, for freight to be paid to them on the remainder of the cargo not exhausted by the claim for salvage, upon the ground of the ordinary lien belonging to the owners of the ship.

Before considering the claim it will be necessary to advert to such facts in the case as are indispensable to raise the questions of the law propounded in the arguments at the bar.

Nicholson Broughton was the owner of three quarters of the ship, and John Bogardus, the master, was owner of the remaining fourth part. In the month of June, 1838, the ship being at Havana in the island of Cuba, took on board a cargo of sugars shipped by George Knight & Co., to be carried to St. Petersburg *via* Boston, (the object of stopping at Boston being merely to obtain a clean bill of health,) part of the sugars being shipped for a specific freight, and a part on half profits. By the bills of lading, a part of the sugars (about one third) were consigned and deliverable to Messrs. Cramer Brothers, at St. Petersburg, or assigns, and the other two third parts to the order of Messrs. Holford & Co. of London, or assigns. But the whole cargo was to be forwarded to Messrs. Cramer Brothers, at St. Petersburg, who were to sell the same, and hold the proceeds of two thirds to extinguish the claims of Messrs. Holford & Co. on the same.

After the admiralty proceedings *in rem* were had against the ship and cargo for salvage, the cargo was unlivered; a survey thereof was directed by the order of the court, and the surveyor having reported that a large part thereof was in a perishable condition, it was ordered by the court, that all the damaged sugars should be sold; and they were accordingly sold on the 17th of July, by the Marshal of the district. On the 17th of July, upon the claim and petition of the owners of the ship, she was ordered to be delivered up to them upon stipulation to pay the salvage. The ship being so delivered up, and Broughton, who had procured insurance on the freight and half profits, having abandoned his right thereto to the underwriters, they refused to accept the abandonment, but authorized him to go on and repair the ship. Messrs. Bates & Co., to whom the ship was consigned at Boston, for entry and despatch, (meaning for the purpose of obtaining a clean bill of health,) were the agents of Messrs. Cramer Brothers, in many commercial transactions, but were not their general agents. They had procured insurance on the one third part of the cargo consigned to Messrs. Cramer, from certain insurance companies in Boston, and on the 10th of July abandoned the same to those companies, who accepted the same, and within sixty days afterwards paid a total loss thereon.

On the 30th of July, the ship being fully repaired, Broughton, with the consent of the underwriters, gave notice to Messrs. Bates & Co., of Boston,

* In the case of the ship *Ewbank*, decided in 1834 in this court, there were ten counsellors engaged, and they were allowed, by consent of parties, \$5,000.

that the ship was repaired and in readiness to receive the cargo of sugars to be carried forward to St. Petersburg. Messrs. Bates & Co. replied by stating that they had no knowledge of the cargo of sugars, and had taken no cognizance thereof except under the direction of the Marshal. On the 7th of August, Messrs. Broughton and Bogardus severally filed in the District Court the claim on petition for freight, upon which the present controversy turns, in which the foregoing facts are in substance stated. On the 8th of August, the libellants petitioned for an appraisement and sale of the residue of the cargo unsold, (the same being in the custody of the court,) upon which an order was passed on the 9th of October, by the court, to sell so much thereof as should be sufficient to pay the duties and charges due thereon, and it was accordingly sold by the Marshal on the 24th of October. On the 10th of August, Broughton addressed letters to the Suffolk Insurance Company and to the Columbian Insurance Company, and to William S. Skinner, agent for certain foreign underwriters, of a similar purport to his letter of the 30th of July to Messrs. Bates & Co. At this time the companies had not accepted the abandonment made to them respectively. On the 7th of September, one half of the ship was sold by the owners, and the other half on the 16th of the same month. It is a fact also stated in the case, that Broughton was the owner of the brig General Glover, which arrived in Boston on the 27th of July, which was a good coppered vessel, and could have carried on the cargo to St. Petersburg, the harbor of which port closes with ice in October or November, and opens again in April or May of every year.

But to proceed with the historical facts. On the 2nd of November, the Suffolk Insurance Company, the Columbian Insurance Company, and the Tremont Insurance Company, of Boston, to whom the one third of the sugars had been abandoned, and the abandonment had been accepted, and the loss paid as above mentioned, applied by claim and petition, to have the same appraised and delivered to them upon stipulation; which was accordingly granted by the court, no objection appearing to have been made thereto by any of the parties in interest, before the court. On the 26th of February, 1839, Messrs. Bates & Co. addressed a letter to Broughton for the owners of the ship, stating, that they had received advices from Messrs. Holford & Co. of London, to have the sound remaining sugars shipped to St Petersburg without delay, asking him to decide either to send them forward, or not, so that application might be made to the court accordingly for a delivery on appraisement for that purpose; to which Broughton replied on the 1st of March, declining to have any thing farther done on his part in the business. On the same day, Messrs. Bates & Co. made application to the court for a delivery to them of the residue of the sugars in the custody of the court, belonging to Messrs. Holford & Co. and the underwriters on their account, which application was refused by the court; and the sugars still remained in the custody of the court.

On the 15th of the same month, the insurance companies, which had underwritten upon the cargo, and Messrs. Bates & Co., for Holford & Co., intervened, and made claim thereto, and answer to the libels, in order to contest the claim to salvage. The final decree of the district court in the premises, was made on the 11th of May, 1839, from which the present appeal was taken.

The answer to the claim for freight contests the general claim to freight, and insists, that if any whatever is due, it ought to contribute to the jettison as

a general average, and ought to contribute towards the salvage, the latter having been apportioned by the decree on ship and cargo only.

Such are the most material facts in the case, which are somewhat complicated, but all of which have been deemed important to be brought to the view of the reader, in order to understand the decision of the court.

The question of freight was argued by *Choate* and *Riley*, for the claimants, and by *Blair*, *Parsons*, and *B. R. Curtis*, for the respondents, under two aspects:

1. Whether a full freight was due upon any, and if any, upon what part of the cargo.

2. If a full freight was not due, whether a *pro rata* freight was due upon any, and if upon any, upon what part of the cargo.

Mr. Justice STORY took time to consider, and at a subsequent day delivered his opinion at great length, in which he decided the following points:

1. That the full freight of the sugars, of which there was a jettison, for the voyage, was to be allowed as part of the general average to be borne by the ship and cargo, and the freight (*pro rata*) saved.

2. That no freight was due upon the sugars sold at Boston, on account of damage and their perishable nature; nor upon the sugars sold to pay duties; nor upon the sugars applied to pay the salvage.

3. That full freight was not due for the voyage upon the sugars delivered to the underwriters, because the ship had been sold before they were delivered to them in bail by the court; and taking all the circumstances, the case was to be treated as one in which both the owners of the ship and of this part of the cargo had reluctantly acquiesced in waiving any further prosecution of the voyage, as to that part of the cargo.

4. That full freight was not due for the voyage for the sugars in the custody of the court, because neither party was in any default on account thereof, the detention being occasioned by the common calamity, and the proceedings for salvage; and the owners thereof never having been in a condition to re-ship them.

5. But a *pro rata* freight was due upon the sugars delivered to the underwriters, and upon those detained in the custody of the court, for the voyage from Havana to Boston, upon the ground that there had been a mutual dispensation by both parties of any further prosecution of the voyage.

6. That no claim for half profits was admissible, as the cargo never arrived at St. Petersburg, and *non constat*, that it ever would have arrived there, or if it had arrived, would have yielded any profit, the whole matter of profit resting in contingency.

7. That the freight earned *pro rata* for the voyage ought to contribute to the salvage with the ship and cargo.

8. In general, freight for the entire voyage can only be earned by a due performance of the voyage. The only acknowledged exception is where there is no default or inability of the carrier ship to perform the voyage, and the ship owner is ready to forward them, but there is a default on the part of the owner of the cargo, as he waived a farther prosecution of the voyage.

9. Freight, *pro rata itineris*, is not ordinarily due, unless there has been a voluntary acceptance of the cargo at an intermediate port; and not an acceptance from mere necessity, occasioned by an overwhelming calamity or superior force.

10. The doctrines of prize courts in the administration of prize law as to

freight, are not generally applicable to cases of mere civil commercial adventures, or cases of civil salvage.

11. The capture of a neutral ship and cargo, if afterwards restitution is decreed, does not dissolve the contract of affreightment ; but at most only suspends it during the prize proceedings.

12. A mere unlivery of the cargo during the voyage, occasioned by prize proceedings, or by an overwhelming calamity, does not absolve the carrier ship from the obligation to carry the goods to the port of destination.

13. In case of prize proceedings, if a neutral ship carrying a neutral cargo, in no default, would earn her full freight, she must wait, and be ready to take the cargo on to the port of destination, when restored ; otherwise at most, (it seems,) a *pro rata* freight only would be due.

14. Courts of admiralty have full jurisdiction, as incidental to cases of prize, and salvage, and other proceedings *in rem*, to decree freight to the ship owner in proper cases.

15. Where proceedings *in rem* are had in the admiralty for salvage, neither party is bound to obtain a delivery of the ship and cargo on bail ; and it is no matter of default on either side to wait for the regular termination of the salvage proceedings.

16. In suits for salvage, courts of admiralty will not ordinarily, without the consent of the salvors, deliver either ship or cargo on stipulation to the claimants, where, from the circumstances of the case, it is apparent to the court, that a proportion, and not a specific or gross sum, ought to be allowed as salvage.

17. If the cargo is liable to deteriorate or perish, or the ship to be injured by the delay incident to the salvage proceedings, the proper course is to apply to the court for a sale thereof. It is not a matter of right, of either party, to have a delivery on bail in such cases.

The next claim in this case which we will consider, is that of John Dyer, Jun.

One of the salvor vessels, it will be recollected, was the brig Olive Chamberlain, of which Samuel C. Hunt was owner, and Zacheus Holmes was master. Salvage was awarded to the master and owner of the brig, and a claim was intervened by Dyer for a moiety of the salvage decreed to Hunt, upon the ground that he was joint owner of the brig with Hunt, for the voyage, under a charter-party, executed by Hunt on the one part, and Hunt and Dyer on the other part. He also claimed salvage as joint owner of the cargo for the voyage with Hunt.

It appeared that the master sailed the brig under a verbal contract with Hunt, similar to a contract, reduced to writing, which had been made between him and Hunt in the next preceding voyage, and of which the following is a copy :

Boston, January 10, 1838.

It is agreed between S. C. Hunt and Zacheus Holmes, that the said Zacheus Holmes shall receive from S. C. Hunt, the sum of seven hundred and fifty dollars, being one half the charter for said brig for a voyage from Boston to Havana and back, with the demurrage for sailing, victualling, and manning the brig Olive Chamberlain, together with half cabin freight, and all passage money, after deducting half port charges in Boston, as is customary.

SAMUEL C. HUNT.

The brig went on the voyage, and took on board at Havana a return cargo

for Boston, on the joint account of Hunt and Dyer; and the salvage was earned on the return voyage. The master testified, that his contract to sail, and victual, and man the brig, was wholly with Hunt, and he looked to him alone for pay, and that he acted for Hunt and Dyer only as to the cargo. The return cargo was purchased with funds sent out on the outward voyage.

Upon this state of facts, *Betton*, of counsel for Dyer, made two points:

1. That Dyer was, under the charter party, joint owner of the brig for the voyage, and entitled to share in the salvage.
2. If not, that he was joint owner of the cargo, and was entitled to salvage for that in common with Hunt.

Choate argued the case for Hunt.

Mr. Justice STORY, in his opinion, made the following points:

1. Where a charter party contains covenants, that the general owner shall equip, victual, man and sail the ship during the voyage, and carry the outward and homeward cargoes to their proper destination, and the cabin and some part of the ship are retained by the owner—the general owner remains owner for the voyage, although the cargoes were on joint account of himself and a co-charterer.
2. Where the master agrees for a specific sum, half of a stipulated freight, to victual, man, and navigate the ship on certain voyages under the direction of the owner, the master is not owner or a part owner for the voyage.
3. The shipper of cargo is not entitled to salvage earned in the voyage, unless the stoppage and deviation was authorized by him. Under other circumstances, his only remedy for any loss occasioned by the stoppage and deviation is against the master and owner.
4. The judge commented on the grounds on which salvage is allowed to the owner of the ship, and the distinction between his case and that of the shipper of the cargo; and came to the conclusion that Dyer was not entitled to any share in the salvage.

In concluding this report, it may be remarked for the benefit of that class of speculators who are in the habit of buying up the claims of claimants of salvage, that Judge Story directed the clerk to take *no notice whatever of any assignments*, but to pay over the money in all cases to the persons to whom it was awarded, or those to whom they or their counsel requested it to be paid. His honor remarked, that seamen, of all men, were the most imposed upon, and their landlords and others would often contrive to cheat them not only out of their money, but also, and more easily, of any claims they might have for future remuneration. He did not know but the people who had obtained assignments in this case were honest enough, but his experience in like cases, and his knowledge of the character of seamen, made him distrust every thing of the kind, and induced him to make the rule inflexible, that money must be paid to the claimants themselves, or to responsible members of the bar for them, or to the persons they directed at the time the money was decreed.

It was whispered in the bar, that many of these claims had been bought up for a mere song, and the clerk said he had received notice of three assignments that morning, one of them without any date.

CONSULS AND SEAMEN.

[For the following interesting decisions, relative to the unwarrantable practice of arresting and imprisoning seamen, by our Consuls, in foreign ports, we are indebted to Judge Hopkinson, of the United States Circuit Court.]

THE question of the power of our consuls to arrest our seamen by the local police officers in foreign ports, and put them into prisons under the control of those officers, on the complaint of the captain, for some breach of discipline on board of the ship, has come several times before the district court of Pennsylvania, and finally, on appeal, before the circuit court of that district. The following are short abstracts of the opinions of those courts:

In the case of *Wilson and others vs. the Mary*, decided in 1838, reported in *Gilpin's Reports*, 32, Judge Hopkinson said:

"The practice of imprisoning disobedient and refractory seamen in foreign jails, is one of doubtful legality. It is certainly to be justified only by a strong case of necessity. It is not among the ordinary means of discipline put into the hand of the master. I am inclined to think there should be danger in keeping the offender on board, or some great crime committed, where this extreme measure is resorted to. It should be used as one of safety rather than discipline, and never applied as a punishment for past misconduct. The powers given to the master to preserve the discipline of the ship, and compel obedience to his authority, are so strong and full, that they can seldom fail of their effect; they should be clearly insufficient before we should allow the exercise of a power which may so easily be made the instrument of cruelty and oppression, and may be so terrible in its consequences. A confinement in an unwholesome jail, in a hot and pestilential climate, may be followed by death or some disabling disease. I would rather altogether deny a power which can be so seldom necessary, than trust it in hands in which it is so likely to be abused, and so difficult to be regulated. The master may, without the aid of foreign police officers and dungeons, in which he cannot control, even if kindly disposed, the treatment of his men, take measures of great strength, to enforce the discipline of his ship. He may *there* confine a refractory sailor; he may stop his provisions; he may inflict reasonable personal correction, according to the enormity of the offence and the obstinacy of the offender; and, if he be incorrigibly disobedient and mutinous, he may discharge him, and, withal, he incurs a forfeiture of his wages. A firm and judicious exercise of these powers can hardly fail of reducing the most perverse to obedience."

In the same case, the judge said:

"I will take this occasion to notice an error which, I fear, has frequently, as in this instance, misled our masters of vessels. They seem to believe that they may do any thing, provided they can obtain the assent of the consul for it; which assent consuls are apt to give with very little consideration. When a master, on her return, is called upon to answer for his conduct, he thinks it is enough to produce a consular certificate, approving his proceedings, or to say he consulted the consul, or acted on his advice. This is altogether a mistake. It is certainly a very prudent precaution to consult the consul in any difficulty, and, if the case were fairly and fully stated to him, it would afford a strong protection on the question of a malicious or wrongful intention; but it can give no justification or legal sanction to an illegal act, nor deprive those who have been injured of their legal rights and remedies."

In the case of *Magee and others vs. the Moss*, reported in *Gilpin*, 219, decided in 1831, Judge Hopkinson said:

"I have declared that I will not countenance the practice of thrusting our seamen into foreign jails by the captain, through the influence he may have with our consuls, or the officers in a foreign port. It is always a severe punishment, and in some climates dangerous to health and life. The punishment which the law authorizes a master to inflict on board of his vessel, by personal correction, by confinement and other privations, are generally sufficient for all the purposes of discipline. It should only be in a case of some pressing necessity, of some danger to the vessel, or her master, or crew, that the men should be imprisoned on shore."

The case of *Johnson and others*, in the *Coriolanus*, was decided in the same court in March, 1839. It was on a claim for wages by a seamen. The captain had imprisoned a man at Rio Janeiro for alleged misconduct, and offered the certificate of the consul to justify the proceedings, and prove the offence. The ship came away, and the man was left in prison. In speaking of this part of the case, Judge Hopkinson said, that "he had no doubt that this proceeding on the part of the captain was altogether illegal and unjustifiable. That he had repeatedly expressed his disapprobation, in strong terms, of the practice of putting our seamen into foreign jails and dungeons at the mercy of the police officers, for offences by no means requiring this severe and extreme remedy."

"For ordinary misconduct or insubordination, the law gave the master of a vessel power sufficient to enforce obedience and maintain discipline on board his vessel—that it is only in cases of extraordinary violence, such as was dangerous to the vessel or those on board of her, that a mariner should be taken on shore, and thrown into a prison; every act of passion or insubordination is called mutiny, and the offender is hurried off to an unwholesome confinement, often in a dangerous climate. In the case before him, the Judge said the man had been many months on board the vessel without incurring any punishment—he had a quarrel with the mate, in which it is uncertain which of them was most in fault; and the second day after it, when it was supposed to have gone over, and no misconduct had occurred in the meantime, a boat was sent to the ship with a police officer, and the man was carried off to a prison, without a hearing or any examination of the charge, except such as the captain chose to give to the consul."

"The judge said he would take this occasion to repeat what he had more than once said before, and to correct an error into which captains continue to fall. They seem to think that if they can get the order and consent of the consul for their proceedings, it will be a full justification for them when they come home. He wished them to understand that he would judge for himself, after hearing both parties and their evidence, of the legality and necessity of these summary incarcerations; and the part the consul may have taken in them would have but little weight with him. He said he had never known an instance in which a consul had refused the application of a captain to imprison a seaman, furnishing him with a certificate, duly ornamented with his official seal, vouching for the offence of the victim, of which, generally, he knew nothing but from the representations of the captain or officers of the vessel. The judge said that he never suffered their certificates to be read—that they were weaker than *ex parte* depositions. He then made some remarks that may be worthy the attention of our government. He said our consuls, unfortunately, are merchants depending

entirely upon the profits of their commercial business for their living, especially upon consignments from the United States—that it is therefore of primary importance to them to have the good will of the masters of vessels, that they may make a good report of them to their owners. He said that an American gentleman of high intelligence, who has travelled much, and known many of our consuls, has, in the book he has published, expressed his regret that they are not supported by salaries from the public treasury. As they now are, these important appointments are placed exclusively in the hands of merchants, who, he says, ‘are under strong inducements to make their offices subservient to their commercial business.’ ”

“An appeal from the decision of the District Judge was taken to the Circuit Court, and there argued at length on several points decided below. The judgment given below was affirmed on every point. Judge BALDWIN said that ‘he agreed with the opinion of the District Court on all the points, and especially on the subject of imprisoning seamen by the authority of a consul. Seamen should be imprisoned in foreign ports only in a clear case of extreme necessity. He would probably have gone farther in this case than the District Judge had done; and would have given the mariner not only his wages for the whole voyage, but some compensation or allowance for the imprisonment.’ ”

SEAMEN'S WAGES.

An important and interesting case recently came before, and was decided by, the magistrates in Liverpool. It is published at length in Gore's Advertiser. The following abstract, may be relied upon for its faithfulness and fidelity.

The commander of the ship *Dauntless* appeared before Mr. Hall yesterday, to show cause why he refused to pay a certain sum claimed by George Wilson, one of the hands on board the above vessel, on her recent voyage from New Orleans to this port. George Wilson stated that he shipped on board the *Dauntless*, at New Orleans, on the 13th of February, for Liverpool, at sixteen dollars per month. Mr. Morecroft, solicitor, who appeared for the captain and owners of the *Dauntless*, said the full balance of wages, at the rate specified, had been tendered to the complainant, but he refused to accept it. Mr. Davenport, who appeared for the complainant, said, “No, certainly not. The only question in dispute is relative to this promissory note (produced.)” Mr. Morecroft—“We are willing to pay the three guineas really due, but we do not acknowledge that note. The owners will not pay it.” It was intimated that the present case would decide several other claims. Mr. Davenport read the note, which was to the effect that the captain promised to pay the sum of £2, in consideration of the holder (of the note) endeavoring to take the vessel to England instead of to America. The complainant was called upon to explain the meaning of the note. He stated that the ship having lurched over, they were compelled to stave a number of their water-casks in order to right her. They had then only 130 gallons of water left, and they ought to have procured more. In consideration, however, of their going forward on short allowance, the captain gave each of the men a promissory note. Mr. Hall said this was a misfortune that might occur to every individual, and which affected all on board equally. To Mr. Davenport—“Have you any thing to show that this case is different from those which have been heretofore decided respecting this point?” Mr. Davenport—“The fact is, sir, they were about to put into Bermuda for fresh water, when the cap-

tain, in consideration of the time and expense that would be saved by proceeding on the voyage, gave each man a promissory note for two pounds. Mr. Hall: "If a man died on board a vessel, the men might with as much justice expect that, if the captain did not choose to put into some port for a fresh hand, he would pay them for dividing that man's labor amongst them." Mr. Morecroft said, the captain was compelled to give those notes, for the men took the vessel from him, and determined to carry her into Bermuda. Yet they had, by calculation, two pints of water per man for thirty-six days. They had, besides, the chance of rain, and after rain had fallen, they had actually an allowance of four pints per day, per man. They had plenty of water when they arrived in port. The captain was called, and he proved the above statements. Mr. Hall refused to allow the promissory note, and the balance of wages was ordered to be paid. As the sum due, £3 3s. 6d. had been tendered, Mr. Hall would not allow the costs."

Mr. Hall very properly refused to admit the validity of the promissory note, as it was not only illegal, but would, if recognizable by law, be a precedent of injurious tendency. In fact, it would be an encouragement to seamen to take advantage of the necessity produced by distress at sea, and make their own terms with the masters of vessels, to navigate them how and where they pleased, or unless the masters complied with their terms, to refuse to take the vessels to the ports to which such masters were bound to proceed. In this case, it is evident, an advantage was taken of the master by the sailors, through means of the necessity they believed him to be under to take in fresh water. He — conceiving that he could make his voyage to England without a fresh supply, and anxious for the sake of his employers and for that of the owners of the cargo and the underwriters—wished to proceed; he therefore refused to put into Bermuda, thereby avoiding great delay. They actually take the command of the vessel from him, as appears from the above report of the trial, and then, and not till then, he complies with the terms they choose to impose upon him. Now, instead of the captain being bound by the agreement so entered into, we are of opinion that the conduct of the crew, or of any portion of the crew, in this transaction, taking for granted that it occurred as described in the report, is amenable to the mutiny law. It was proved that there was an abundant supply of water to last out the voyage of the vessel to her destination, and besides they had the chance of rain, and actually had rain water that doubled the supply. Be that, however, as it may, the magistrate acted perfectly right in disallowing the claim.

. INTERESTING CASE OF BOTTOMRY.

Bottomry, as many of our readers are aware, is, as defined by Blackstone, *Com.* book 11 to 30, a mortgage of the ship. The owner or captain of a ship is authorized to borrow money, either to fit her out so as to enable her to proceed on her voyage, or to purchase a cargo for the voyage, pledging the keel or bottom of the ship in security for payment. In bottomry contracts it is stipulated, that if the ship be lost in the course of the voyage, the lender shall lose his whole money, but if the ship arrive in safety at her destination, the lender then is entitled to get back his principal, and the interest agreed upon, however much that interest may exceed the legal rate. This is the law of England.

A decision was lately made in the High Court of England, by Judge Lushington, of the highest importance as respects the relations of British shipping to the rest of the world, and particularly to commercial men in the

United States. It was a question as to the validity of a bottomry bond, executed at Philadelphia, by the master of the British ship *Vibelia*. The vessel sailed from England in April, 1836, for Honduras, where she took in mahogany and other produce, and sailed from Balize in August, 1837. Having run foul of other vessels, she returned to Balize for repairs, and recommenced her voyage in October. Meeting with tempestuous weather, from which the ship suffered much damage, the master was compelled to make for Philadelphia, with six feet of water in the hold. Here, being without funds, he placed himself under the direction of the acting British consul, (Mr. Vaughton,) and the agent for Lloyd's, (Mr. Jordan,) who introduced him to an American merchant, (Mr. Stephen Baldwin.) The vessel was surveyed and the cargo landed; the estimate of the cost of repairs was about 7,000 dollars; but, on subsequent examination, more extensive repairs were found necessary. Unsuccessful attempts having been made to raise money, even on bottomry, successive sales of the cargo were resorted to, amounting in the whole to about 15,000 dollars, the total expense of the repairs being 17,038 dollars. The proceeds of the sales were disbursed by Baldwin, with the sanction of the master. The whole proceeds of the cargo being insufficient to meet the repairs, Mr. Baldwin became responsible for the balance, and on the 31st January, 1838, took a bottomry bond for the amount advanced by him, being 3,060 dollars, bearing a maritime interest of 15 per cent. From the opinion of the Court, it is to be gathered that when Mr. Baldwin began to make advances, there was no distinct evidence of an original understanding or contract between him and the master that his final balance was to be secured by a bottomry bond; but that he probably made his advances, trusting to the general *lien* which the law of this country gives in such cases, and not at all to the personal credit of the master or owner, and subsequently took the bottomry bond. The master, in his affidavit in the cause, deposed, that he executed the bond under compulsion. This suggestion was distinctly repudiated, and the judgment of Dr. Lushington was pronounced in favor of the bond.

This decision is important as recognising and proceeding upon the following principle. It is well known to legal and commercial persons, that, by the law of England, the party who repairs, or makes advances to repair a foreign ship, has no *lien* on the ship itself, without an express agreement to the effect; whereas, by the law of most maritime nations, and especially by that of the United States, such a party has a *lien* on such a ship, without any agreement. In this case it was considered, *in the first place*, that, where the question of fact, whether the money was advanced on personal credit or not, the fact of a *lien* existing by the law of the foreign country, is an ingredient and an important circumstance in ascertaining the true nature of the transaction; and that it is important to bear that law in mind, because it shows a state of things which renders bottomry more probable, furnishing a strong presumption in favor of bottomry and against personal credit. For why should a merchant, without some such consideration, abandon the *lien* his own law affords him, and trust to the credit of an owner in a foreign country, of whom he knows nothing? *In the second place*, it was held, that it is competent to the foreign merchant, without any express agreement at all for the bottomry bond, to make advances on the security of the ship, that is, on the faith of a *lien* given by the law of his own country, and that it is not necessary to have a bottomry bond till the ship is about to sail. The question is, not whether all the advances were originally, and

from the beginning to the end, with a view to a future bottomry bond, but whether any part of the advances or the responsibility was on personal credit. If the money was advanced on personal credit, or if the foreign merchant made himself responsible, looking to personal credit only, in that case the law of *lien* will never entitle him to convert that which was originally a transaction of personal credit into one of bottomry. It is a totally different thing, to convert a transaction from its primary character of personal credit into bottomry, and to take a bottomry bond where the money was at first advanced on the security of a *lien*, or right of *lien*, on the ship.

Although the decision at once commends itself in point of principle, and although there had been cases both in England and in this country nearly approaching to it, none is recollected, in which so decisive an effect has been given to the law of the country of the foreign lender; and the recognition of the entire situation of such a foreign lender, by a British court, when it is directly the reverse of that of a British creditor, is a fresh instance of the cosmopolitan character of maritime jurisprudence.

CARELESSNESS OR NEGLECT.

A case was recently decided in the Supreme Court of New York, which may serve as a caution to men holding official situations, that trivial carelessness or neglect may sometimes be attended with serious consequences. Wm. P. Hallett, Esq., was sued for the recovery of a judgment which had been obtained against a Mr. Charles Morris, and the amount of which had not been recovered in consequence of Mr. Hallett's having overlooked, in examining the records of the Supreme Court, a previous judgment against Morris for \$15,000 or \$16,000. The amount for which Mr. Hallett was now sued was nearly \$4,000, and before the case had been submitted to the jury it was made out so clear that his counsel, in his behalf, consented to the payment of it, with costs.

BILLS OF EXCHANGE.

For the following important decision, in the Court of King's Bench, England, we are indebted to the politeness of John L. Dimock, Esq. President of the Warren Insurance Company, Boston. In the case of *Mr. Sigourney, of Boston, v. Jones, Lloyd, & Co.* The opinion of the Court was given, for the recovery of the amount of a bill of exchange, which had been previously paid to Samuel Williams by the defendants. The facts were: Sigourney consigned a cargo of flour to Jones, Lloyd, & Co., who accepted bills for the amount, drawn by the master. These bills were endorsed by the master, to Mr. Sigourney, and by him to Mr. Williams, in this form: "Pay to Williams, or order, *for my use.*" Jones, Lloyd, & Co. discounted the bills, and paid the amount to Mr. Williams, less the discount; and, before the maturity of the bills, Mr. Williams became bankrupt.

The Court confirmed the verdict of a former trial, in favor of the defendants, which had been reserved for a question of law; and decided, that the endorsement was such, that the defendants had no authority to pay the bills, except *for the use* of the plaintiff; but as they had *discounted* them for accommodation of Mr. Williams, they must be held liable to the plaintiff in this suit. If the restriction had been conveyed in a private letter to Williams, and he had endorsed, without any notice of it to another, he only would have been liable. If he had waited till the maturity of the bill, and received the money, he only would have been liable; but this species of restriction is useful, and must be maintained to prevent failing men from raising money

on such bills to the prejudice of the first endorser. — This bill was discounted, and the money applied, not *for the use of the plaintiff*, but for the use of Williams.

TARIFF DUTIES.

CLASSIFICATION OF GOODS. — The case in the United States District Court, (Maryland District,) *Albers & Co. v. William Frick*, Collector of the port of Baltimore, and decided before Judges Taney and Heath, was an action for the recovery of forty-one per cent., *ad valorem* duty, paid on seventy dozen worsted shawls, imported by the plaintiffs from Bremen, which they had paid to the collector, with protest against their being classed as woollen goods, or goods of which wool is a component part, but that they were free of duty. Several gentlemen, conversant with the article, were examined, who stated that the goods in question were composed entirely of worsted yarn, which differed from what is termed woollen yarn, it being spun from only the longest fibres of wool, which is separated by hackling and combing, while yarn is spun from carded wool, without such separation. It was also shown, that, as these goods had been imported in separate shawls, they did not come under the denomination of worsted stuff goods, which they would be called had they been imported in pieces of thirty or forty yards, when they would be admitted free of duty. The plaintiffs prayed the court to instruct the jury, that, if they believed the shawls to be worsted, they should render a verdict for the plaintiffs, as worsted had been decided by Judge Thompson, of New York, and the decision sustained by the supreme court, not to be liable to duty. After some remarks from the district attorney, the court instructed the jury, and a verdict was rendered for the plaintiffs, \$550.

RIGHT OF SECURING DUTIES AT THE HOME PORT.

Case and Opinion of the District Attorney of South Florida, upon the right of a party to secure the duties upon his merchandise at his home port, when the vessel is lost upon the Florida reefs :

CASE. — The American ship *Tennessee*, on her late voyage from Bordeaux to New Orleans, on the 16th of April last, ran upon the Florida reefs, and was brought into the port of Key West by the wreckers, and condemned and sold as unworthy of repair, and broken up. The cargo of wines, cordials, and brandy, were saved, and, with the ship, libelled for salvage, and all sold to pay the same, except an invoice of 18,420 gallons of brandy. This remains in the public store with the duties thereon unpaid, but there is no other charge thereon, and the ship *Tennessee* cannot, of course, take it on to New Orleans. On this account, the collector of Key West says the duties on the brandy must be paid, or secured at this port, before he can deliver it to the owner, who resides at New Orleans. The owner contends, that he has the right to secure the duties at New Orleans, and to obtain a certificate of that fact from the collector there, upon which the collector here is bound to deliver him his brandy.

OPINION. — The collector of Key West, I suppose, relies upon the general collection act of 1799, section 60, which says, that vessels arriving in distress, in the United States, at ports to which they are not bound, may be unloaded free of duty, and repair, and take on to the ports of destination their cargoes. Under this section of the act, it is necessary that the merchandise proceed in the same vessel. But suppose that is impossible, as in the case of the *Tennessee*, cannot the merchandise go on in another vessel, or be

restored to the owner in any case, unless he pays or secures the duties at Key West? It could not be done before the act of 1828, but, in my opinion, it can now be done under that act.

In the organization of the court at Key West, the act of May 23, 1828, contained various provisions upon wrecking, payment of salvage, and securing of duties at the port of the United States where the owner resided. It required the judge to reside at Key West, the only place of any considerable commerce in the large collection district from St. Augustine to St. Marks, and that commerce growing out of the wrecking business,—all wrecking vessels were to be licensed by him, and no vessel was to employ any person who had bargained with a vessel in distress on the reef,—all goods obtained on the reefs were to be brought to some port of entry in the United States, and, as Key West is the only port for hundreds of miles contiguous to the reefs, the same would be, and of course are, always brought into this port for adjudication and salvage. The third section enacts, that the judge shall, when it can be done, decree payment of salvage in kind, without sale, and that the property saved shall be divided before it is taken out of the custody of the revenue officer. This section evidently embraces property saved, which is subject to duties, for if it be our own produce it goes not into the custody of the revenue officers. The act then says, that, upon the property remaining after the payment in kind, the duties may be secured in any port in the United States where the owner resides. It appears to me that the owner can do this, even if the salvage were paid in cash, or by sale, for it would come within the spirit and intention of the act.

Before congress passed this act, there was no court at Key West. By a territorial law, a notary and a jury, sometimes, perhaps, under the influence of the wrecking interest, or arbitrators, awarded large salvages, and sales were made, and sacrifices followed, on account of the paucity of purchasers. The whole coast was then uninhabited, as it is now, with the exception of two little islands and Key West. Complaints were made that captains acted in bad faith, were sometimes corrupted, and sometimes taken advantage of. If the duties were to be secured here, there were but few to be sureties, and they must be paid a commission, and have collateral security from strangers. To limit the power of the judge, to prevent sales by the master, and to enable the owner to secure the duties in the home port, at any time within nine months, congress passed the act of May 23, 1828. It settled three principles.

It first enacts, that the judge shall, where it can be done, decree payment of salvage in kind. "It shall be his duty, unless the salvage decree shall have been adjusted without recourse to vessel and cargo, to direct such proportion of salvage to be paid to the salvors in kind."

Secondly, that the salvors shall pay the duties, if any, on the part allotted to them. "It shall be divided, accordingly, under the inspection of the officers of the court, before it shall have been taken out of the custody of the revenue officers."

The act provides, that if the cargo be incapable of division, or of a perishable nature, a sale shall be made. As the part allotted for salvage remains in the custody of the collector, the salvors must of course pay duties before they can obtain it.

Thirdly, that the owner may secure the duties, if any, at any port in the United States where he resides. On this point the fifth section is very explicit.

"Section 5. And be it further enacted, that the property remaining, after

separating the portion adjudged to the salvors, shall not be removed from such store as may be used for public purposes, nor disposed of in any other way, for nine months, unless by the order of the owners, or their authorized agents; and that the duties accruing upon such property may be secured at any port in the United States where the owners may reside."

Were the Tennessee repaired, this part of the act would be unnecessary. It would not apply to the case. The act of 1799 would apply. I have no doubt that it was the intention of Congress to permit the owner of cargo, after the loss of his vessel, or any vessel, on the Florida Keys, in which he had made his shipment, to secure the duties on the cargo remaining after satisfaction of salvage, *in any way, in the place of his home* and his friends, and thereupon to receive it at Key West, from the custody of the revenue officers. My opinion is, that the owner of this brandy can bond it at New Orleans, and upon the fact duly certified to the collector at Key West, the brandy must be restored to him.

The collector of Key West is of a different opinion, and the Solicitor of the Treasury is written to for his decision.

CHARLES WALKER, Att'y U. S.

Key West, July 18, 1839.

FRAUD ON THE REVENUE.

A case was tried in the United States District Court at Boston, in July last, in which the United States had seized one hundred and fourteen pieces of broad cloth, which were claimed by James Bottomly, Jun., late of New York, but now out of the country.

The goods were seized in the auction store of Whitwell & Seaver, in Boston.

The case, on the part of the government, was supported principally by circumstantial evidence. They set up that James Bottomly, Jun., a native of Yorkshire, and a great importer of woollens in New York in 1837-8, made a fraudulent arrangement with one James Campbell, late a deputy collector in the custom house in that city, by which Bottomly was enabled to defraud the revenue to a large amount. That he made twenty-one false and fraudulent entries before any suspicion of his honesty was entertained. That by an arrangement with Campbell, packages of the highest cost were invariably selected for examination; that these were always correctly invoiced, and thus the remaining packages, which would be incorrectly invoiced, would pass detection. That Bottomly never made entries with any deputy collector except Campbell, and when the latter was absent, he always delayed making his entries until his return. That in March 1838, Bottomly made certain entries of goods imported in the Roscoe; that the suspicions of another deputy collector being excited, he communicated them to the collector, and the whole were seized. That Bottomly had been indicted in New York, had forfeited his bail, and left the country.

There was considerable evidence in the case, and very slow progress was made in the trial, which occupied several days. After the evidence on the part of the government was in, Judge Davis decided that it was sufficient to show a probable cause of seizure, and to put the claimant to his proof that the goods were correctly entered. Accordingly, he introduced a few witnesses, but the jury decided that the goods were forfeited.

The case was managed by *Sprague* and *Gray*, of Boston, and *Miller*, of New York, for the claimant, and by *Mills*, district attorney, and *Fletcher* and *Bartlett*, for the United States.

MERCANTILE BIOGRAPHY.

ART. VI. — THOMAS HANCOCK

Boston could justly boast of many intelligent, enterprising, and opulent merchants, more than a century ago. From the first settlement of that place, indeed, long the chief mart of trade for all New England, a number of the citizens were interested in foreign commerce and navigation. Almost all European goods and products, and a large portion of the growth of the West Indies, imported into the four Northern Colonies, were entered at the port of Boston. Her merchants, therefore, were numerous, and generally opulent. One of the most eminent, during the middle of the last century — from 1735 to 1764 — was THOMAS HANCOCK, the uncle and patron of the celebrated patriot, John Hancock, the president of the continental congress in 1775, 1776, and 1777, many years governor of the commonwealth of Massachusetts, and one of the most disinterested, devoted friends of American liberty, in that critical period, as well as for several years before the revolution began.

THOMAS HANCOCK was a son of the Rev. John Hancock, of Lexington, near Boston, and was born in 1703. Though he did not receive a collegiate education, his learned and pious father was careful to have him well instructed in his youth, and to give him good advice for the regulation and conduct of life. His father was highly respected for his learning, influence, and grave demeanor, and was generally called in his later years *Bishop Hancock*. Thomas was so well educated, that he knew the value of learning, and was ever ready to contribute to schools, to teachers of youth, and to the general interests of literature.

Thomas was early placed in the store of Mr. — HENCHMAN, of Boston, an eminent stationer. But in a short time he expressed the opinion, that the business was too limited and too small to give him employment, and he manifested a desire to enter more largely into trade. His means were not sufficient to enable him to do this at once; but he soon accumulated property by his industry, his active and persevering, though safe and reasonable enterprises. He was remarkably attentive and diligent in business, and soon acquired a large estate, and became one of the first merchants in New England. His habits of business, however, did not wholly engross his time; he was active and useful as a citizen, as a member of society, and of the christian church. He was never charged with oppressing the poor, or of withholding charity where it was proper to give. The pursuit and possession of wealth, unhappily, often hardens the kindly and sympathetic feelings of humanity, and leads to luxury, pride, and narrowness of spirit. It had not this effect on Mr. Hancock. He was not only strictly moral and upright; he was generous, forbearing, and accommodating towards those dependent on him, or indebted to him. The poor found in him a real friend — he never turned them away empty from his door. His character was also that of a public-spirited man. He gave liberally towards all works of charity, and to institutions for the relief of the destitute and unfortunate. To the ministers of the gospel he was remarkably hospitable, friendly, and liberal.*

* Thomas Hancock and Thomas Russell were liberal donors to the ancient church in Brattle street.

His nephew, John Hancock, was patronized by him, and enabled to engage early in mercantile pursuits, with a prospect of great success. This distinguished patriot was indebted to the uncle for his ability to come forward in life with a reputation and influence, which mere learning and virtue would not have imparted to his character, and placed in a situation to render extensive benefit to the cause of civil liberty. The uncle died in 1764, and gave great part of his estate to his protege and relative, and this added to the influence of the latter, already great indeed, arising from his courteous and popular manners, and his known attachment to the constitutional liberty of the colonies.

Thomas Hancock left about twenty-five hundred pounds sterling, for public uses. One thousand to Harvard college for founding a professorship of the Hebrew, and other Oriental languages; a large sum to be appropriated for spreading the knowledge of christianity among the native tribes; and six hundred pounds for founding a hospital for the insane. He also intended to have added to his donations in behalf of the university, particularly for increasing the library. His nephew and heir generously gave a large amount afterwards for that particular object, and was very desirous of fulfilling all the liberal purposes of his deceased relative. The governors of the college were so sensible of the great value of the gifts of the elder Hancock, that they procured a full-length portrait of him, painted by the celebrated Copley, and placed it in the hall of the public library belonging to the institution. In all the relations of life, Mr. Hancock was useful, faithful, and exemplary. Probity was a prominent trait in his character, in all his intercourse and dealings with his fellow-men. "He never fell short of his engagements or promises; and his benevolence prompted him often to exceed them." For the young merchant such a character is worthy of all imitation.

ART. VII.—THOMAS RUSSELL

THOMAS RUSSELL, Esq. was one of the most eminent merchants in Boston, in the latter part of the last century. He died in 1796, at the age of fifty-six. He was a native of Charlestown, near Boston; and of one of the most respectable families in Massachusetts from the first settlement of the colony. Mr. Russell was engaged in mercantile pursuits before the war of the Revolution. He very early gave his attention to trade; for long before that period, it was the path to wealth and eminence, owing, probably, to their good moral education, and the virtuous example of their seniors; they were alike industrious, frugal, and honest. The merchants of that age were not avaricious, or selfish, or oppressive. Success attended their enterprises; for navigation and foreign commerce were then pursued only by a sufficient portion of the community to render the enterprise profitable.

The style of living was the opposite of all extravagance; so that those who made money became opulent, instead of expending as fast or *faster* than they acquired. The merchants would now generally be in more easy circumstances at the age of fifty or sixty, if they were more frugal in their manner of living. Dr. Franklin used to say, that economy was as necessary as industry and enterprise. Solomon gave the same opinion nearly three thousand years ago.

At the age of sixteen, young Russell discovered a disposition to be a merchant, and was placed in the counting room of a Mr. Green, of Boston, one of the most eminent of that profession. Mr. Green was not only an intelligent merchant, but a man of strict probity, of exemplary morals, frugal, diligent,

and methodical. He attended personally to business ; and in his regular virtuous family, a young man was sure to have inducement to whatever was praiseworthy and virtuous. The clerk or apprentice, at that period, usually made one of the family of his master.

Before he was twenty, Mr. Russell visited Quebec, and there received a consignment, which proved very profitable to him. A few years after, in 1761, he made a voyage to the West Indies, when there was war between England and France. He was taken by the French, and lost all his property. But this event brought him into acquaintance with an individual, able and disposed to give him employment. Mr. Russell had with him some letters of recommendation ; and his own manners, activity, intelligence, and faithfulness, made him friends after a short intercourse. He also visited England.

After this period, Mr. Russell transacted business chiefly in Boston, but had property and a store also in his native town. And when Charlestown was burnt by the British in June, 1775, he lost a large part of his property. In 1776, he made his permanent residence in Boston ; and prosecuted the business of a merchant, as far as the difficulty and hazard of the times would permit. On the return of peace, he engaged more extensively in foreign commerce. He was one of the first in the United States who engaged in the Russian trade ; he sent a large ship to that country as early as 1786 ; and the voyage proving profitable, he sent two others the next year. For several years, he was more extensively interested in this trade than any in Boston or its vicinity ; and indeed, in any other part of the country. But he did not confine his commercial enterprise to Russia. He had some vessels in the East India trade, as early as any merchant in Boston : but several ships were previously sent to that distant country from Salem.

Mr. Russell was a delegate from Boston in the Convention of Massachusetts, for adopting the Federal Constitution in 1788 : and he had a good share of influence in commending it to others. He showed the probable benefit it would afford to foreign commerce. He had high expectations of its auspicious effects on the prosperity of the United States ; and his predictions of the impulse the general government would give to the interests of navigation and trade, by establishing uniform laws and regulations throughout the States. In 1794, when the treaty was made with England by Washington, through the agency of Judge Jay, Mr. Russell was decidedly in favor of that measure, as well as of the general policy of that wise and prudent statesman.

There was a great clamor raised against the treaty, even before its provisions were fully known. Strong prejudices were thus formed against it, which the patriotic character of Washington, and the great confidence the people had in his disinterested virtue, could scarcely remove or withstand. Mr. Russell advocated the treaty, when not ten others in Boston dared openly to vindicate it.

Mr. Russell was benevolent, liberal, and public spirited, in a degree equalled by very few of his contemporaries, or of those who have lived since his time. Mr. Russell was one of the contributors to the monument on Beacon Hill, (now taken down,) which bore an inscription of the great events of the revolution.

He bestowed a due portion of attention to business ; but found much time for the calls of charitable and religious societies. He was a member of all, and president of most, of the important and useful associations then existing. He was President of the Boston Chamber of Commerce ; of the Humane Society of Massachusetts ; of the Agricultural Society ; of the Congregational

Charitable Society, designed for the relief of the destitute widows of deceased clergymen, who had left no estate; and of the Society for propagating the Gospel among the Indians and others in North America. To the funds of all these societies he contributed very liberally, and to three of them in quite large sums. He presided in these societies with great promptness and propriety. He was also president of the United States Branch Bank in Boston, and of a society for assisting and giving advice to immigrants, many of whom were destitute, and needed directions and employment.

Mr. Russell received a good common education, though not a student in a college, having early decided to be a merchant. But one of his brothers was educated at Harvard College, and was an eminent physician; he received an honorary degree of M. D. from the university of Aberdeen. Mr. Russell had a just estimation of the value of learning; and gave all his sons (three) a college education.

Mr. Russell was often a member of the State Legislature for Boston; and one or two years had a seat at the Council Board, but declined a re-election, on account of other numerous avocations. He was a valuable member of the Congregational Church in Brattle Square. He never neglected his duty in attending the services of the Lord's house and day. He labored diligently six days, but devoted the seventh strictly to the worship of God, and the hearing of his holy word. He could not be justly called rigid or bigotted; his religious views were what are usually called liberal. Nor was he, on the other hand content with the profession or forms of religion: but appeared to be a sincere and conscientious christian. He was a liberal donor to the church of which he was a member: and at his death a respectful notice was taken of his character by his minister—and an eulogy was delivered also at his funeral by Dr. John Warren, at the united request of the societies, of which he was the respectable and respected President. His memory was honored for his great moral worth, his varied usefulness, his well-regulated conduct, his meritorious self-discipline and self-government.

COMMERCIAL REGULATIONS AND TREATIES.

BONDED PORTS OF MEXICO.

The following regulations in relation to the bonded ports of Mexico, are official, and in pursuance of a law passed April, 1837, and which went into effect on the 25th of June, 1839.

Art. 1. On Bonded Ports—Two bonded ports will be established for the time being in the republic; one on the Gulf of Mexico, and the other on the southern coast; the first will be situated at Vera Cruz, and the second at San Blas, but the warehouses of the last one shall be located in the village of Jacolcotan, the height of which above the level of the sea affords many advantages for the preservation of goods, and a comparatively mild climate.

Art. 2. The government will order the necessary warehouses to be held ready at Vera Cruz and built at Jacolcotan in the term of six months, and when this shall be done, they will appoint the day to date from which the present decree will begin to be carried into effect on both seas.

Art. 3. Should there be found afterwards in other ports, whose locality may be proper and well adapted for the purpose, the necessary requisites of buildings capable to serve as warehouses, safety for them, and every thing else, (all of which shall be proved by means of scientific surveys,) they shall be declared bonded ports, if the interests of the republic should require it.

Art. 4. All manufactures, produce, and goods, kept in the bonded warehouses, whether they be national or foreign property, shall be under the safeguard of the laws; and the property of foreigners existing in the deposit shall never be violated even by retri-

sals in case of war, or for any other motive which may oppose the protecting laws in relation to Mexican property.

Art. 5. All goods placed in the bonded warehouses can remain there for the term of one year; but on the expiration of this period, their owners or consignees must necessarily take them out in the space of eight days, for if these elapse without the exportation being effected, the goods shall be offered at a public sale, and sold to the highest bidder by the collector; and after having deducted the storage on them, and the duties prescribed by the general tariff law concerning maritime custom houses, the remaining sum shall be delivered to the owner or consignee.

Art. 6. The amount of storage for bonded goods shall be half per cent. if their permanency in them be less than four months; one per cent if it be less than eight months, and one and a half per cent if it should reach eight months. The periods are to be dated from the day in which use is made of the permission given for the deposit in the warehouses; and the prices of the goods shall be the basis for the liquidation of the per centage of storage in this form. Respecting those which are subjected to nomenclature, there shall be added to the share it may assign them twice as much and a third part more of the same share; and the sum of this, and the addition made, will give the quantum upon which liquidation of the per centage of storage must be drawn. As relates to the goods which are paid for according to the invoice, there shall be deducted the said per centage from the value of the same invoice, and moreover, the difference resulting from their quality, according to the forty-second article of the general tariff law of the 11th of last March.

Art. 7. The sums accruing from the storage of goods, shall be necessarily laid out for the payment of the officers, clerks, and servants of the warehouses, for expenses peculiar to them, for the repair and melioration of the same, or for the building of others when they may not be found sufficient for the purpose; for replacing, meliorating, and building quays; and for the works which may be necessary for the safety of the port, and the convenience of its operations in loading and unloading.

Art. 8. In order that the provisions of the preceding article may be exactly fulfilled, the produce of storage shall be kept in a separate coffer having three keys; one for the collector, another for the accomptant, and the other one for the political authority residing at the port. The collector and accomptant shall be reponsible for the faithful and complete introduction into the coffer of the mentioned produce, and shall give daily notice to said political authority of the sums which may have been collected on account of storage, that he may have been present with his key to witness the introduction of the precited sums into the coffer, or appoint for that purpose some person of his trust.

Art. 9. The respective commissary shall make a monthly balance of the sums existing in the coffer; and if he should find any deficiency in them, he shall exact on the spot the restoration of them, and likewise, the responsibility of the guilty functionary or functionaries.

Art. 10. The government is at liberty to enter immediately into a contract for the more pressing works, provided estimates, public offers, and all other formalities which the case requires, have been previously complied with.

Art. 11. *On the admission of goods into the Bonded Warehouses.*—From the day appointed by government, all manufactures, produce, and goods, which may be presented for the purpose, shall be admitted into the bonded warehouses, whether they be imported in national or foreign vessels belonging to any power not then at war with the Mexican nation.

Art. 12. All manufactures, produce, and goods, which are free of duty, shall be exempted from the grant made in the preceding article, likewise those prohibited according to the laws extant at the time; and also all goods capable of combustion, even without coming in contact with fire.

Art. 13. The consignee of the cargo shall ask by writing, before unloading the vessel, a permission from the collector to introduce the goods they may design into warehouses, accompanied with an invoice of them describing the marks of each bale; the number of these, which shall be expressed in writing and ciphers; the pieces contained in each bale, classifying in writing and ciphers the number, weight or measure in width and length, belonging to the kind of merchandise in question.

Art. 14. The petition shall necessarily contain, besides a clear clause of obligation on the part of the consignee to satisfy in due time the storage and importation duties accruing on the goods, in accordance with the tariff law extant on the day of the arrival of the vessel at the port.

Art. 15. The collector will compare the invoice of petition with the private invoices of the cargo; and if he finds them, and the petition likewise, in accordance with the provisions of the preceding articles, he will sign his permission beneath the invoice of the same petition, which shall be referred to the commander of the custom-house off-

cers, after having marked on the private invoices, the goods which are to be deposited.

Art. 16. When said commander will have received the permission for deposit, he shall order the unloading of the vessel, and the proper separation to be made on the wharf of the goods, according to the invoice of petition and permission for deposit, which may have to go to the bonded warehouses.

Art. 17. All goods having to be conducted to the bonded warehouses, shall be carried to them directly from the wharf, guarded by an escort composed of the custom-house officers, which their commander may select for this purpose, with the advice of the collector, who is at liberty to appoint an officer of the custom-house. Said officers on accompanying the goods shall take with them the permission for deposit, and shall deliver both to the storekeeper, who after being satisfied of the bales, numbers and marks being in order, shall sign a receipt for them to the conductors, and give notice of it to the collector, that he may cause the examination of the goods to be made.

Art. 18. The examination shall be immediately effected, in accordance with the 45th article of the general tariff law of the 11th inst., and every thing being right, the permission for deposit will be considered as fulfilled, entering it on the books and giving notice of it to the accomptant's office, that the same operation be effected there.

Art. 19. If it should result from the examination that any of the provisions of the tariff law extant at the time of importation has been violated, it will be acted upon according to the same law.

Art. 20. After the examination being effected, all the bales shall be sealed with a seal belonging to the custom house, and another to the consignee. These seals shall be placed so as to prevent opening any bale without before breaking it. The custom house seal, shall express the year and the custom-house to which it should belong. These seals are to be destroyed every year, and new ones made, differing from the first.

Art. 21. All officers who shall allow, or do not take notice of the goods destined to the bonded warehouses, being carried to them without the proper escort or without the permission in writing from the collector, shall suffer, as abettors of the fraud, the punishment pointed out by the decree of 17th February last, in its 56th, 57th, and 58th articles, according to the importance of the crime, and if the exportation of the goods be made without the observance of said formalities by the owners or consignees, or by one or more of the officers bribed by the first for this purpose, the goods shall be forfeited, and the owners or consignees shall pay a fine of twenty per cent. on the value of the same goods, according to the current price of the market in which they may have been imported.

Art. 22. *Regulations for Bonded Warehouses.*—All bonded warehouses shall be as near as possible to the ports, separated from other inhabited buildings, and far from manufactories and workshops in which fire is used. They are to be built so as to prevent robberies and damages of any kind, being at the same time airy and perfectly safe according to known principles.

Art. 23. All goods bonded shall be stored so as to facilitate the removal of any bale in order that the owners may dispose of them when it suits them.

Art. 24. All liquids and provisions shall be put in separate warehouses; and care shall be taken to do the same with regard to all other goods known under the denomination of *abarrotes*.

Art. 25. Whilst goods shall remain in the warehouses, its owners will be at liberty to show and even to sell them. In this second case, notice of it must be given to the collector, signed by the seller and the purchaser. Importers of goods shall be responsible for all storage or any other duties established by the tariff law for maritime custom-house, extant at the time of their importation, unless this obligation be transferred by an agreement of both the seller and the purchaser to the latter, the collector remaining at liberty to accept the new security if it be entirely satisfactory to him; but if this is not the case, the responsibility of the importer shall continue to be obligatory.

Art. 26. If any advantages should result from that operation, they nowise can serve to lengthen the established term of one year, which nevertheless will be dated from the day of fulfilment at the warehouse of the permission for deposit.

Art. 27. All lists of introduction or removal of goods from the bonded warehouses shall be drawn with the same formalities, and after the same method followed at a judge's office, in regard to prisoners.

Art. 28. Register books concerning bonded warehouses shall be kept at the accomptant's office, making out the introduction of goods into them, from the fulfilled permissions for deposits; and their removal, from the justified documents of the same.

Art. 29. Bonded warehouse; shall be opened and shut up at the same hours with the custom-house, its doors shall have four keys, one of which will be for the collector, another for the accomptant, another for the chief store keeper, and the remaining one

for the second store keeper. Both chief officers of the custom-houses shall attend alternately the bonded warehouses all the time their duty may permit them, and in absence of both there shall be present at the warehouse a subordinate officer of their trust which they may appoint for the purpose.

Art. 30. *On the removal of deposited Goods.*—The removal of deposited goods may be effected whenever the owner or consignee asks for it by means of a formal petition, in which the date and number of the petition he made for deposit is to be mentioned. The collector will order that document to be put with the rest, and will write on it his permission for the removal, returning it to the warehouse that it may be effected. If only a part of the goods contained in the petition and permission for deposit is to be taken out of the warehouse, the store keeper will mark it on the same document, returning it afterwards to the accomptant's office.

Art. 31. Before the removal of goods, a new examination shall be made of the bales not examined at the time of deposit; and the same is to be done even with regard to goods already examined, if the collector or surveyor of the custom-house should deem it proper. The second examination shall be made with the same formalities practised on depositing goods.

Art. 32. Before the removal of goods, storage is to be paid, and the importation duties settled or security given for them, according to the terms prescribed by the general tariff for maritime custom-houses, and by the law of the 11th of December, 1833.

Art. 33. The periods for the settlement of importation duties are to be dated from the day of the removal of goods from the bonded warehouses.

Art. 34. After security has been given for payment of duties, the owner of goods remains at liberty either to have them carried wherever he may choose into the republic, with the proper permit, or to export them abroad.

Art. 35. If at the time of taking out goods they should be found entirely damaged by unavoidable accident, which is to be proved by an examination made before the owner, by the collector, accomptant, surveyors, and the commander of custom-house officers, then the importation duties on them shall not be exacted, and only the storage must be paid, and they shall be either entirely destroyed and thrown into the sea at a great distance from the coast or burnt.

Art. 36. If any part of those goods should prove to be in a good condition, the surveyors in the presence and with the advice of the collector, the accomptant, and the commander of the custom-house officers, shall fix the average damage on the whole of them, exacting the proper importation duties, according to the result.

Art. 37. All goods fraudulently drawn out of the warehouse by the owner or consignee, shall be forfeited if they should be seized; and if this be not the case, their value shall be exacted at the rate of the current market price. If it should be the owner or consignee who extracts the goods or attempts to do it, by scaling the warehouse, breaking its doors, making use of master-keys, or opening them with the proper ones at any hour different from those appointed for the public service of the same warehouse, he shall suffer, besides the penalty of forfeiture, a fine of triple the value of the goods according to the current market price, and three years imprisonment. The non exhibition of the fine shall be punished by increasing the time of imprisonment at the rate of six months for each thousand dollars.

Art. 38. Any violation of the warehouse by employing some of the means mentioned in the preceding article, to extract from it goods belonging to another, shall be punished according to the penalties established by law for the crime of robbery of the public treasures, breaking or opening its coffers.

Art. 39. If it should be proved that any officer has contributed or connived at the perpetration of the crimes mentioned in the preceding articles, he shall be judged and punished as if he were a domestic robber, false to the trust reposed in him, and as if he had opened or broke open the coffers, and shall be held responsible for compensation of damages to the persons concerned, and to the public treasure.

Art. 40. No compensation will be made at the warehouse, for the waste or wear of goods deposited in it.

COMMERCIAL TREATY BETWEEN HOLLAND AND THE UNITED STATES.

The *Staats Courant*, published at the Hague, July 30th, contains a royal ordinance promulgating the Treaty of Commerce and Navigation between the Netherlands and the United States of America.

The United States of America and his Majesty the King of the Netherlands, anxious to regulate the commerce and navigation carried on between the two countries in their respective vessels, have, for that purpose, named plenipotentiaries; that is to say, the President of the United States has appointed John Forsyth, Secretary of State of the

said United States, and his Majesty the King of the Netherlands has appointed Jonkheer Evert Marius Adrian Martini, member of the Body of Nobles of the Province of North Brabant, Knight of the order of the Netherlands Lion, and his Charge d'Affaires in the United States, who having exchanged their respective full powers, found in good and due form, have agreed to the following articles:

Art. 1. Goods and merchandise, whatever their origin may be, imported into, or exported from, the ports of the United States, from or to the ports of the Netherlands in Europe, in vessels of the Netherlands, shall pay no higher or other duties than shall be levied on the like goods and merchandise as imported or exported in national vessels. And reciprocally, goods and merchandise, whatever their origin may be, imported into or exported from the ports of the Netherlands in Europe, from or to the ports of the United States, in vessels of the said States, shall pay no higher or other duties than shall be levied on the like goods and merchandise so imported or exported in national vessels. The bounties, drawbacks, or other favors of this nature, which may be granted in the states of either of the contracting parties on goods imported or exported in national vessels, shall also, and in like manner, be granted on goods directly exported or imported in vessels of the other country to and from the ports of the two countries, it being understood that in the latter, as in the preceding case, the goods shall have been loaded in the ports from which such vessels shall have been cleared.

Art. 2. Neither party shall impose upon the vessels of the other, whether carrying cargoes between the United States, and the ports of the Netherlands in Europe, or arriving in ballast from any other country, any duties of tonnage, harbor dues, light-houses, salvage, pilotage, quarantine, or port charge of any kind or denomination, which shall not be imposed in like cases on national vessels.

Art. 3. It is further agreed between the two contracting parties, that the Consuls and Vice Consuls of the United States, in the ports of the Netherlands in Europe, and reciprocally, the Consuls and Vice Consuls of the Netherlands in the ports of the said States, shall continue to enjoy all privileges, protection, and assistance, as may be usual and necessary for the duly exercising of their functions, in respect also of the deserters from the vessels, whether public or private, of their countries.

Art. 4. The contracting parties agree to consider and treat as vessels of the United States and of the Netherlands, all such as, being furnished by the competent authorities with a passport or sea letter, shall, under the then existing laws and regulations, be recognised as national vessels by the countries to which they respectively belong.

Art. 5. In the case of shipwreck or damage at sea, each party shall grant to the vessels, whether public or private, of the other, the same assistance and protection which would be afforded to its own vessels in like cases.

Art. 6. The present treaty shall be in force for the term of ten years, commencing six weeks after the exchange of the ratifications, and further, until the end of twelve months after either of the contracting parties shall have given to the other notice of its intention—each of the contracting parties reserving to itself the right of giving such notice to the other after the expiration of the term of ten years; and it is hereby mutually agreed, that in case of such notice, this treaty, and all the provisions thereof, shall, at the end of the said twelve months, altogether cease and determinate.

Art. 7. The present treaty shall be ratified, and the ratifications shall be exchanged at Washington, within six months of its date, or sooner if practicable.

In witness whereof, the respective Plenipotentiaries have signed the same, and have affixed thereto the seal of their arms.

Done, in duplicate, at the city of Washington, this nineteenth day of January, in the year of our Lord, one thousand eight hundred and thirty-nine.

(L. S.) JOHN FORSYTH.
(L. S.) AD. MARTINI.

CONSULATE GENERAL OF THE BRAZILIAN EMPIRE.

The following Decree is, by order of the Brazilian Government, published for the information of all whom it may concern:

Decree raising the duties on Wines and Liquors, of foreign produce, imported into Brazil, and directing the entry of Liquids and Wheat Flour during the financial year of 1839 to 1840:

The Regent, in the name of the Emperor Don Pedro II., by virtue of the authority conferred on the Government, by the twentieth Article of the Law, of the twentieth of October, one thousand eight hundred and thirty-eight, number sixty, decrees as follows:

Art. 1. During the financial year one thousand eight hundred and thirty-nine to one thousand eight hundred and forty, all the Wines imported into Brazil, and all Liquors

of foreign produce, shall pay at the custom-house a duty of fifty per centum, including therein all charges to which such articles were subjected until the present time, with the exception of those of storage.

Section additional. All Wines and Liquors being the produce of countries with which Brazil has existing treaties, are exempted from the foregoing provisions.

Art. 2. The entry of Liquids in general, and of Wheat Flour of foreign produce, shall be made according to the prices fixed by a weekly valuation, to be made at each Custom-house, by a committee composed of capable persons, of whom the Collector of the respective Custom-house shall be one.

Candido Baptista de Oliveira, of the Council of His Imperial Majesty, Minister and Secretary of State for the Foreign Affairs, and charged by interim of Finances, and the Presidency of the Tribunal of the National Public Treasury, will so understand its provisions, and cause them to be executed, issuing for that purpose the necessary orders.

Palace of Rio de Janeiro, 6th May, 1839, 18th year of the Independence and of the Empire.

Pedro de Aranzo Lima.
Candido Baptista de Oliveira.

New York, 12th September, 1839.

Dionizio de Azevedo Pecanha,
Consul General.

QUARANTINE LAWS OF HAVRE.

Department of Foreign Affairs, Paris, July 27th, 1839.

To the Consul General of France, New York:

Sir:—The great inconvenience experienced by the Sanitary and Police departments, from the neglect in the port of Havre of the law relative to passports without individual bills of health, with which the passengers in the New York packets ought to be provided, has compelled the Minister of Agriculture and Commerce to issue the strictest orders on the subject, in conformity with which he has directed the Health Officer of Havre henceforth to require a bill of health from each passenger arriving from North America; and to ensure the execution of the measure, he has farther ordered.

1st.—To place in quarantine every packet arriving from New York, which shall have on board any passenger unprovided with a bill of health.

2nd.—To summon the captain before the court, to answer for the infringement of the 19th article of Ordinance of the 16th of August, 1822, passed in conformity with the law of the 3d of March, 1822, relative to the Sanitary Police.

You are aware, sir, that according to the terms of the seventh article of the above ordinance, vessels are subject to a *quarantine* of greater or less duration, according to the state of health on board. The penalty against the captain is determined by the 13th article of the law of the 3d of March, 1822, which runs thus:

“Whoever shall violate the quarantine laws, or the general or local regulations or ordinances of the competent authorities, shall be subjected to imprisonment from three to five days, and to a fine not less than five nor exceeding fifty francs.”

As the Minister of Agriculture and Commerce thinks that it would be too severe to require the immediate application of a measure which has not hitherto been enforced, he has decided, in order that the captains of the American packets may be duly forewarned, that the above quarantine regulations shall not take place till the 1st of September next, (1839.)

You will please, sir, give the necessary notification of this to the merchants of New-York. The minister of the interior will give similar orders to the authorities of Havre, relative to the passports which you have not certified. (Signed)

MARECHAL DUC DE DALMATIE

The Consul General of France, DE LAFOREST.

THE OPIUM TRADE OF CHINA.

There probably was never since the existence of the world an exercise of despotic power, displayed in the promotion of a *moral* object, comparable to that recently exhibited by the Emperor of China, in the suppression of the trade in opium within his dominion. It has been long contraband, but ordinary acts of government were not sufficient for its suppression. The Emperor has at last tried the last resort of despotic action in China, the giving of the Imperial Seal to his highest officer, Linn, and holding him responsible for the issue. The consequence has been, that the amount of opium given up to the government was no less than 20,283 chests, valued at £3,000,000 sterling, or near \$15,000,000.

NAVIGATION.

GREAT WESTERN AND BRITISH QUEEN.

Daily comparison of the progress of the steam ships Great Western and British Queen, with extracts from the published official reports after the great race across the Atlantic, commencing at 2 P. M. August 1st, 1839, at which time the Queen was four or five miles astern of the Western; first published in the Bristol Mirror, of August 21, 1839.

BRITISH QUEEN.

Aug. 1.

Aug. 2.

Aug. 3.

Aug. 4. Sweet, wholesome breeze, lat. 41 06, lon. 60 33. Distance run, 230 miles.

Aug. 5. Ship getting lighter and more lively, smooth sea, 14 revolutions, running off cheerily, lat. 41 17, lon. 55 39. Run 330 miles.

Aug. 6. Queen dancing merrily over the seas, lat. 41 58, lon. 53 00. Distance run, 220 miles.

Aug. 7. The Queen leaped over the billows with infinite grace, lat. 43 21, lon. 46 38. Distance run, 224 miles.

Aug. 8. Charming morning; going ahead with all imaginable dignity, lat. 44 06, lon. 40 47. Distance run, 224 miles.

Aug. 9. Engines on this day, an incomparable mass of machinery, work with great ease and exactitude, lat. 44 48, lon. 36 14. Distance run, 202 miles.

Aug. 10. Mild and cheerful morning, gentle breezes—Queen dancing over the waves light as a fox, lat. 45 57, lon. 30 53. Distance run, 237 miles.

Aug. 11. Running with noiseless rapidity, engines running at a tremendous rate. The Queen careers over the mighty waters in all the plenitude of majesty, lat. 47 15, lon. 25 25. Run 238 miles.

Aug. 12. Going with inconceivable steadiness, lat. 48 32, lon. 19 15. Distance run, 252 miles.

Aug. 13. The Queen, as she approaches her dominions, quickens her step, always solicitous to show her subjects she is mistress of the seas, lat. 49 30, lon. 12 28. Distance run, 265 miles.

Aug. 14. Light tortoise shell clouds, lat. 49 34, lon. 5 23. Distance run, 277 miles.

Thirteen days and nineteen hours to Portsmouth.

GREAT WESTERN.

Aug. 1. Seven P. M., tops of British Queen's paddle boxes just in sight.

Aug. 2. At noon British Queen's smoke bore SW $\frac{1}{4}$ W about 25 miles; gain on reported distance 15 miles.

Aug. 3. British Queen's smoke bore W. by N. Distance 30 or 40 miles. Gain by reported distance 20 miles.

Aug. 4. At 4 P. M. lost sight of smoke. Gained by reported distance 21 miles.

Aug. 5. Gain by reported distance 24 miles.

Lat. 42 28

Lon. 54 32

Aug. 6. Gain by distance reported 20 miles.

Lat. 44 40

Lon. 49 40

Aug. 7. Gain by distance reported 20 miles.

Lat. 46 35

Lon. 44 32

Aug. 8. Gain by distance reported 29 miles.

Lat. 48 26

Lon. 38 56

Aug. 9. Gain by distance reported 51 miles.

Lat. 49 55

Lon. 33 20

Aug. 10. Gain by reported distance 7 miles.

Lat. 51 11

Lon. 27 15

Aug. 11. Gain by reported distance 8 miles.

Lat. 51 30

Lon. 20 42

Aug. 12. By published lat. and lon. equal distance run.

Lat. 51 35

Lon. 14 3

Aug. 13. By difference of lat. and lon. distance run in favor of the Great Western.

Lat. 51 5

Lon. 7 22

Aug. 14. Great Western anchored in Kingroad at 5 30 A. M., after running 190 miles, and against a whole ebb from Lundy, and thereby going 18 miles more, or 212 miles in 17 $\frac{1}{2}$ hours, or nearly 12 knots per hour.

The difference in time of starting and arriving, allowing half an hour for the Great Western's start before the Queen, was 27 hours. The reported speed of the Queen, for the last day's run, was at the rate of 11 $\frac{1}{2}$ knots per hour. The difference of longitude

between Spithead and Kingroad is $11\frac{1}{2}$ degrees, or 57 miles; (in time, five hours.) The total gain of the Western has, consequently, been 22 hours in time, or, according to the Queen's rate of going, ($11\frac{1}{2}$ knots per hour,) 253 nautical miles. The Great Western was at sea 297 hours: her gain, therefore, on the Queen, has been very nearly 6-7ths of a nautical mile per hour.

LOSS OF STEAMBOATS IN THE WEST IN 1838.

The Alton Telegraph calculates as follows the list of steamboats lost or considerably injured on the western waters during the year 1838:

Whole number eighty; of which there were

Blown up.....	8
Collapsed.....	6
Burst steam pipe.....	2
Burnt.....	2
Snagged.....	37
Sunk.....	17
Collision.....	2

Of these, 13 were lost on the Ohio, 50 on the Lower Mississippi, 5 on the Upper Mississippi, 2 on the Missouri, 2 on the Illinois, 1 on the Arkansas, 1 on the Red River, 1 in the Gulf of Mexico, and 3 in other places.

CAMBOOSE.

Messrs. Fenney & Co., of Baltimore, have recently patented an improved Camboose. It is so constructed as to be adapted to the purposes of cooking, and to the distillation of fresh from salt water at the same time, and is said by those who have seen it in use, to answer admirably both these objects. The invention of a cheap and expeditious method of extracting fresh water from salt, has long been a desideratum to mariners, which is now most happily supplied, and we doubt not the article will be brought into general use. The Editor of the Baltimore Post, who witnessed its operations, says, that nothing could be more satisfactory than the quantity of fresh water obtained in a very short time. It distilled at the rate of two gallons per hour, with a slow fire: thus, during the space of twelve hours, twenty-four gallons could be obtained with only a moderate fire; and, in case of necessity, a much larger quantity could be distilled by increasing the fire. The stove is perfectly simple, and consumes no more fuel than ordinary cooking stoves. A vessel having one of these cambooses, can dispense with the great number of water casks they are obliged to carry, and thus have more room for freight. The water is perfectly fresh, and seafaring men pronounced it infinitely better than can be obtained at sea after one or two weeks.

INSURANCE.

TARIFF OF MINIMUM RATES OF PREMIUM,
Adopted by the Underwriters of Boston, March 1, 1839.

VESSELS ON TIME.

Risks on Time on Vessels of Two Hundred Tons, and upwards.

On Vessels valued at	75 to 60 dollars per ton,	.....	5½ per cent per annum.
.. ..	60 to 50 .. ..	.....	6
.. ..	50 to 40 .. ..	.....	6½
.. ..	40 to 30 .. ..	.....	8
.. ..	Under 30	at a proportionate increase of premium.	

If north of latitude fifty degrees, and east of longitude two degrees, between the first of October and the first of March, one per cent additional premium to be paid.

Risks on Vessels of smaller sizes, usually employed in the West India trade, and on short voyages.

[If engaged in more favorable employment than the West India trade, or on short voyages, the insurers may place them under the rates for vessels of 200 tons and upwards, instead of the following:]

On Vessels valued at	75 to 60 dollars per ton,	.....	6 to 8 per cent per annum.
.. ..	60 to 50 .. ..	.....	8 to 9
.. ..	50 to 40 .. ..	.....	9 to 10
.. ..	40 to 30 .. ..	.....	10 to 11

On Vessels valued at 30 to 20 dollars per ton 11 to 12 per cent. per annum.
 Under 20 12 and upwards ..

To add two per cent., if in the West India Islands or Seas, or in the Gulf of Mexico, between the 15th July and the 15th October.

RISKS BETWEEN UNITED STATES AND WEST INDIES.

	SAILING	
	Oct. 15 to July 15.	July 15 to Oct. 15.
From Atlantic ports to south side of Cuba, or from,	1½	2½
.. .. to north side of Cuba, or from,	1½	2
.. .. to Porto Rico, Hayti, and Windward Islands, or from,	1½	2½

If partial loss on less than the whole invoice, ¼ per cent. to be added.

Double premium on deck load, with 10 per cent. average, &c.

If several passages insured together, rates for the passages to be added together.

Company to retain 10 per cent. of return premium on short property.

UNITED STATES AND EUROPE.

Outward risks.

FROM THE GULF OF MEXICO.	SAILING		
	Nov. 1 to Feb. 1.	Feb. 1 to Aug. 1.	Aug. 1 to Nov. 1.
To St. Petersburg and ports in the Baltic	2 to 2½	1½ to 2	2½ to 2½
To Belgium, Holland, and Germany, or North Sea.	1½ to 2	1½ to 1½	2 to 2½
To Great Britain, France, and Ireland	1½ to 2	1½ to 1½	2 to 2½
To Portugal and Spain, on the Atlantic	1½ to 2	1½ to 1½	2 to 2½
To ports in the Mediterranean not east of Sicily & Malta .....	....	1½ to 1½	....
To beyond .. ..	....	1½ to 2	....

FROM ATLANTIC PORTS.	SAILING BETWEEN	
	Feb. 1 & Oct. 1.	Oct. 1 & Feb. 1.
To St. Petersburg and ports in the Baltic	1½ to 1½	....
To Germany, North Sea, Holland, and Belgium	1½ to 1½	1½ to 2
To Great Britain, France, and Ireland, (not in the Mediterranean,)	1½ to 1½	1½ to 1½
To Portugal and Spain, on the Atlantic	1½ to 1½	1½ to 1½
To a port in the Mediterranean not east of Sicily and Malta.	1½	1½ w. ad.
To beyond	1½ to 1½	1½ to 1½

If in the North Sea, between 1st October and 1st March, 1 per cent. to be added.

¼ per cent to be added for each port used in the Mediterranean more than one.

¼ per cent to be added, if partial loss allowed on less than the whole invoice.

¼ per cent. may be deducted from the above rates, on cotton.

Homeward Risks.

To Atlantic ports from ports in the North Sea, 1½; add ¼ for sailing between October 1 and March 1.

.. .. from Great Britain and Ireland, general cargoes, 1½.

.. .. from Great Britain and Ireland, dry goods, average on each package, 1½; hardware, 1½.

.. .. from Havre, dry goods, average on each package, 1½.

.. .. from South of Europe, not in the Mediterranean, 1½ to 1½.

.. .. from ports in the Mediterranean, not beyond Sicily, 1½; add ¼ for each port used more than one.

.. .. from ports in the Mediterranean, beyond Sicily, 1½; add ¼ for each port used more than one.

If to ports in Gulf of Mexico, $\frac{1}{2}$ per cent. to be added.

Partial loss on sheet iron, iron wire, brazier's rods, iron hoops, and tin plates, excepted

UNITED STATES, INDIA, CHINA, AND PACIFIC OCEAN.

From the United States.

To the Pacific, not north of Lima, $1\frac{1}{2}$. Add $\frac{1}{2}$ for each port used more than one.
out and home, 3. Same additions.

To the Pacific, north of Lima, $2\frac{1}{2}$. Same additions.
out and home, 5. Same additions.

Voyages to the Pacific, on time, 5 per cent. per annum on vessels; $4\frac{1}{2}$ per annum on cargoes.

To Sumatra, and back to United States, pepper voyages, 4 per cent.

To Java, Singapore, or Padang, *one port*, $1\frac{1}{2}$. Add $\frac{1}{2}$ for each port more than one.

To Bay of Bengal, $1\frac{1}{2}$. Add $\frac{1}{2}$ for each port more than one.

To Canton or Manilla; *to either*, $1\frac{1}{2}$. Add $\frac{1}{2}$ if to both; add $\frac{1}{2}$ if against the monsoon.

From ports in India, China, or the Pacific, to the United States, same rates homeward as outward.

From such ports to Europe, same rates as to United States; to add 1 per cent., if in the North Sea between 1st October and 1st March.

For touching at Cape Good Hope, $\frac{1}{2}$ per cent. to be added.

For voyages on time, beyond Cape Good Hope, 4 per cent. per annum.

From Batavia to or from Canton or Manilla, $\frac{1}{2}$ per cent. Add $\frac{1}{2}$ if against the monsoon.

From Canton to or from Manilla, $\frac{1}{2}$ to $\frac{1}{4}$.

Half per cent to be added for each passage in the China Seas against the monsoon.

If partial loss allowed on less than the whole invoice, $\frac{1}{2}$ per cent. to be added.

Ten per cent. of return premium on short property to be retained, not exceeding one half per cent.

The northeast or unfavorable monsoon in the China seas, for the outward passage, is from 1st October to 1st April.

The southwest or unfavorable monsoon, returning, is from April 1 to October 1.

The North Sea, as referred to in this Tariff, shall be considered as comprehending all places north of Lat. 50 north, and east of Long. 2 east.

EAST COAST OF SOUTH AMERICA, UNITED STATES, AND EUROPE.

Risks between the United States and East Coast of South America.

From Atlantic ports to or from ports in Brazil, except Rio Grande, $1\frac{1}{2}$; add $\frac{1}{2}$ for each port more than one.

.. .. to or from Rio Grande and La Plata, 2 per cent to either; add $\frac{1}{2}$ if to both.

If partial loss allowed on less than whole invoice, $\frac{1}{2}$ per cent to be added.

Company to retain 10 per cent of return premium on short property.

Risks between Europe and East Coast of South America.

From Brazil to or from a port in the Mediterranean or south of Europe, $1\frac{1}{2}$ per cent.

.. .. to or from a port in the North Sea, $1\frac{1}{2}$ per cent.

.. .. to or from a port in the Baltic, 2 per cent.

If from Rio Grande and La Plata, add $\frac{1}{2}$ per cent.

If partial loss allowed on less than the whole invoice, $\frac{1}{2}$ per cent. to be added.

Company to retain ten per cent. of return premium on short property.

RUSSIA AND PORTS IN THE BALTIC, TO UNITED STATES, N. E. OF CAPE FLORIDA.

Sailing prior to September 1st, $1\frac{1}{2}$ per cent.

.. from 1st September to 10th, inclusive, $1\frac{1}{2}$ per cent.

.. from 11th September to 20th, inclusive, 2 per cent.

.. from 21st September to 30th, inclusive, $2\frac{1}{2}$ per cent.

.. from 1st October to 10th, inclusive, 3 per cent.

.. from 11th October to 20th, inclusive, $3\frac{1}{2}$ per cent.

.. from 21st October to 31st, inclusive, $4\frac{1}{2}$ per cent.

.. after 31st October, 5 per cent.

If to ports in the Gulf of Mexico, $\frac{1}{2}$ per cent. to be added.

If partial loss on less than the whole invoice, $\frac{1}{2}$ per cent. to be added.

If short property, 10 per cent. of return premium to be retained.

COASTWISE RISKS WITHIN THE UNITED STATES.

ON VESSELS, CARGOES, AND FREIGHTS FROM BOSTON.	Nov. 1 to April 1.	April 1 to Aug. 1.	Aug. 1 to Nov. 1.
To or from ports eastward of Cape Ann.	$\frac{1}{2}$ to $\frac{3}{4}$	$\frac{1}{2}$ to $\frac{1}{2}$	$\frac{1}{2}$ to $\frac{1}{2}$
To or from ports in Rhode Island, Connecticut, and Vine- yard Sound.	$\frac{1}{2}$ to $\frac{3}{4}$	$\frac{1}{2}$ to $\frac{1}{2}$	$\frac{1}{2}$ to $\frac{1}{2}$
To or from New York City and places on North River..	$\frac{1}{2}$ to $\frac{1}{2}$	$\frac{1}{2}$ to $\frac{1}{2}$	$\frac{1}{2}$ to $\frac{1}{2}$
To or from ports in Delaware and Chesapeake Bays....	1 to $1\frac{1}{2}$	$\frac{1}{2}$ to $\frac{1}{2}$	$\frac{1}{2}$ to $\frac{1}{2}$
To or from ports in North Carolina.	$1\frac{1}{2}$ to $1\frac{1}{2}$	1 to $1\frac{1}{2}$	$1\frac{1}{2}$ to 2
To or from ports in South Carolina and Georgia.	$\frac{1}{2}$	$\frac{1}{2}$	1
To or from ports in the Gulf of Mexico.	$1\frac{1}{2}$ to $1\frac{1}{2}$	$1\frac{1}{2}$ to $1\frac{1}{2}$	2 to $2\frac{1}{2}$

From the above rates may be deducted:

On cotton, metals, and salted provisions in casks, to or from ports in the Gulf of Mexico, one quarter per cent., and on the same articles to or from ports in the United States, north of Florida, one eighth per cent.

On manufactured tobacco, from Virginia, one eighth per cent. may be deducted.

On deck loads, double premium to be charged, with condition not to be liable for partial loss under ten per cent., and not to be liable for damage by wet or exposure.

If there be any lime on board, as cargo or freight, fifty per cent. to be added to the premium for the passage.

If partial loss be allowed on less than the whole invoice, one quarter per cent. to be added on risks to or from the Gulf of Mexico, and one eighth per cent. on risks north of Florida.

In case of over insurance, ten per cent. of the return premium to be retained by the insurers.

When several passages are insured in the same policy, the rates for each passage to be added together.

Specie may be insured at two thirds the rates on merchandise.

FROM CUBA TO EUROPE, AND BACK.

	SAILING,	
	Prior to Aug. 1.	After Aug. 1.
From Cuba to St. Petersburg, or ports in the Baltic.	2 per ct.	3 per ct.
From Cuba to a continental port in the North Sea.	$1\frac{1}{2}$ "	$2\frac{1}{2}$ "
From Cuba to London or Liverpool.	$1\frac{1}{2}$ "	$2\frac{1}{2}$ "

$\frac{1}{2}$ per cent. to be added if the vessel touches at a port in the United States for any purpose whatever.

$\frac{1}{2}$ per cent. to be added if partial loss allowed on less than the whole invoice.

From the Baltic to Cuba, see rates above.

From European ports without the Baltic, same rates as outward risks, with same additions for being in the West Indies in hurricane season.

GENERAL REGULATIONS.

If there be any lime on board, on cargo or on freight, fifty per cent. to be added to the premium for the passage.

If any goods are shipped and insured as on deck, not less than double premium to be charged, with condition not to be liable for damage by wet or exposure, nor for partial loss under ten per cent.

The northeast or unfavorable monsoon in the China seas, for outward passages to China, is from the first day of October to the first day of April.

The southwest or unfavorable monsoon, for homeward passages, is from the first day of April to the first day of October.

The hurricane months, in the West India latitudes, are from the fifteenth day of July to the fifteenth day of October, and said latitudes shall be considered as being within the parallels of 10 degrees and 28 degrees of north latitude, and 58 degrees and 86 degrees of west longitude.

The North Sea, as expressed for additional premiums for winter months, (viz.: from the first day of October to the first day of March,) is considered north of latitude 50 degrees north, and east of longitude 2 degrees east.

If average be allowed on less than the whole invoice, $\frac{1}{4}$ per cent. is to be added on voyages to or from foreign ports, and ports in the Gulf of Mexico, and $\frac{1}{4}$ per cent. is to be added on coastwise risks north of Florida.

In all cases of over insurance, ten per cent. of the return premium is to be retained by the insurers, not exceeding $\frac{1}{4}$ per cent., on the amount of short property.

Premiums on vessels and freights not to be less than those on cargoes of general merchandise for same voyages.

Specie, excepting to port or ports beyond the Cape of Good Hope or Cape Horn, to be insured as the parties may agree: provided, that it shall never be at a greater reduction than one third from the rates herein fixed for merchandise on the same passage.

Specie, to port or ports beyond the Cape of Good Hope or Cape Horn, to be considered the same as merchandise.

When several passages are included in the same policy, the rates for each passage are to be added together.

If insurance be made from foreign ports to port or ports of discharge, or final port of discharge, in the United States, the coastwise premium to be added for each port used, more than one, in the United States.

With regard to risks not provided for in this tariff, it is agreed, that the parties are to make contracts at discretion: but it is expected that the companies will require rates equivalent to those named in this tariff on risks of like value, acting in good faith, and not taking one risk for a lower rate in consideration of receiving the tariff rates on another.

PREMIUM CREDITS, IN BOSTON, ON MARINE RISKS,
From and after the first day of March, 1839.

All credits shall commence on the commencement of the risk, or as near that commencement as can be ascertained at the time of taking the risk.

All premium notes shall be considered as due on the expiration of the credit expressed in the note, unless the risk shall not have terminated, in which case it shall be sixty days after the termination of the risk; and, if not then paid, interest shall be exacted from that time till paid.

	To.	From.	To and from.
East Indies or China	18 ms.	7 ms.	18 ms.
East Coast of South America	8	4	8
Europe	8	4	8
West Indies, Spanish Main, Gulf of Mexico, Honduras ..	6	4	6
Ports this side of Florida	4	4	4
West Coast of America	16	7	16

West Indies, Europe, and back, 10 months.

Brazils, Europe, and back, 12 months,

West Coast of America, China, and back, 18 months, } Or four months after

North West Coast of America, China, and back, 18 " } the

North West Coast of America, and China, 18 " } termination of the risk.

Whale fishery, to the Pacific, 18 months, or 2 months after the termination of the risk.

Whale fishery, to the Atlantic, 14 months.

On time, two months after the termination of the risk.

Premiums of twenty dollars and under, cash, without discount of interest.

NEW YORK LIFE INSURANCE AND TRUST COMPANY.

It appears by the monthly report of this corporation, for August, that eighteen persons have effected an insurance on their lives. Of whom four are residents of the city of New York, and fourteen residents out of the city. They are thus classified—Merchants and Brokers, 7; Students and Clerks, 4; Mechanics, 2; Lawyer, 1; Engineer, 1; Manufacturers, 3. Of these there are insured for one year and over, 6—seven years and over, 10—for life, 2. Two were insured for \$10,000 and under, ten for \$5,000 and under, and six for \$1,000 and under.

COMMERCIAL STATISTICS.

COMMERCE OF THE UNITED STATES.

Statistical View of the Commerce of the United States, exhibiting the value of imports from, and exports to, each foreign country, during the year ending on the 30th September, 1838; from official documents in the Treasury Department, Register's Office, May 13, 1839.

COUNTRIES.	Value of Imports.	VALUE OF EXPORTS.		
		Domestic Produce.	Foreign Produce.	Total.
Russia.....	1,898,396	359,047	689,242	1,048,289
Prussia.....	6,620	65,651	19,283	84,944
Sweden.....	854,771	210,745	66,646	277,431
Swedish West Indies.....	46,019	74,140	4,231	78,421
Denmark.....	27,118	98,031	24,750	122,831
Danish West Indies.....	1,617,747	949,769	227,417	1,177,096
Netherlands.....	1,180,897	2,555,979	398,269	2,954,248
Dutch East Indies.....	576,306	166,214	329,747	495,961
Dutch West Indies.....	382,591	204,234	46,915	251,149
Dutch Guiana.....	54,354	68,775	2,073	70,818
Belgium.....	239,929	1,340,900	274,051	1,614,951
England.....	44,191,851	48,693,888	1,545,188	50,445,076
Scotland.....	594,665	1,685,203	10,776	1,695,979
Ireland.....	75,162	38,535	....	38,535
Gibraltar.....	25,624	609,818	152,371	762,189
Malta.....	16,866	81,955	4,078	86,033
British East Indies.....	675,531	320,505	258,402	578,907
Cape of Good Hope.....	12,034	22,718	....	22,718
Australia.....	30,538	33,546	816	34,362
British West Indies.....	1,635,848	2,080,634	120,218	2,200,852
British American Colonies.....	1,555,570	2,484,987	238,504	2,723,491
British Honduras.....	201,448	89,696	19,300	109,196
British Guiana.....	36,043	145,532	522	146,054
British African ports.....	....	....	....	....
Mauritius.....	....	....	....	....
Hanse Towns.....	2,847,358	2,625,802	665,843	3,291,645
France, on the Atlantic.....	16,823,112	13,069,649	976,967	14,066,616
France, on the Mediterranean.....	944,685	1,433,765	283,135	1,716,900
French West Indies.....	310,050	430,003	38,889	468,897
French Guiana.....	5,302	....	....	....
French African ports.....	....	....	....	....
Spain, on the Atlantic.....	234,200	137,405	12,470	149,875
Spain, on the Mediterranean.....	868,336	336,904	2,595	359,499
Teneriffe, and other Canaries.....	151,366	34,619	18,646	53,305
Manilla and Philippine Islands.....	386,528	93,214	149,303	242,517
Cuba.....	11,694,812	4,721,433	1,454,325	6,175,758
Other Spanish West Indies.....	2,636,152	692,568	30,444	723,052
Portugal.....	296,864	67,970	8,093	76,063
Madeira.....	366,274	36,422	4,535	40,957
Fayal, and other Azores.....	32,746	7,556	1,681	9,237
Cape de Verd Islands.....	29,174	96,941	8,933	105,874
Italy.....	944,238	318,536	141,357	459,893
Sicily.....	345,362	25,532	21,813	47,345
Sardinia.....	851	....	....	....
Trieste.....	372,378	643,223	125,740	768,963
Turkey.....	296,533	142,448	115,461	257,909
Mocha.....	....	....	....	....
Greece.....	....	7,440	1,590	9,030

COMMERCE OF THE UNITED STATES, CONTINUED.

COUNTRIES.	Value of Imports.	VALUE OF EXPORTS.		
		Domestic Produce.	Foreign Produce.	Total.
Morocco, and Barbary States.....	10,174	.....	.....	.....
Hayti.....	1,275,762	814,421	95,834	910,255
Texas.....	165,718	1,028,818	219,062	1,247,880
Mexico.....	3,500,709	1,040,906	1,123,191	2,164,097
Central America.....	155,614	111,910	131,139	243,040
Colombia.....	1,615,249	406,564	318,175	724,739
Brazil.....	3,191,238	2,094,957	562,237	2,657,194
Argentine Republic.....	1,010,908	180,832	56,2-3	236,665
Cisplatine Republic.....	18,631	35,762	24,567	60,329
Chili.....	942,095	1,047,572	322,692	1,370,264
Peru.....	633,437	163,868	39,531	203,399
South America, generally.....	.....	1,875	.....	1,875
China.....	4,764,536	655,581	861,021	1,516,602
Europe, generally.....	.....	31,759	.....	31,759
Asia, generally.....	212,091	105,672	76,159	181,831
Africa, generally.....	541,931	390,354	101,548	491,902
West Indies, generally.....	217	334,638	4,414	339,052
South Seas and Sandwich Islands....	55,561	60,684	22,153	82,837
North Atlantic Ocean.....	.....	.....	.....	.....
Uncertain places.....	97,186	.....	.....	.....
Total.....	113,717,404	96,033,821	12,452,795	108,486,616

NUMBER OF VESSELS BUILT IN THE UNITED STATES IN 1838.

Condensed Statement of the number and class of Vessels built, and the Tonnage thereof, in each state and territory of the United States, for the year ending September 30th, 1838, from official documents in the Treasury Department, Register's Office, April 2, 1839.

STATES.	CLASS OF VESSELS.					Total number of vessels built.	TOTAL TONNAGE.
	Ships.	Brigs.	Sch'rs.	Sloops.	Steam-boats.		Tons. 95ths.
Maine.....	21	42	78	2	1	144	24,332 06
New Hampshire.....	5	1	3	..	..	9	3,296 16
Massachusetts.....	21	10	131	4	1	167	19,547 88
Rhode Island.....	2	1	6	..	1	10	2,108 05
Connecticut.....	1	2	16	22	2	43	3,780 32
New York.....	7	8	31	60	7	113	14,682 47
New Jersey.....	..	..	52	33	1	86	7,057 01
Pennsylvania.....	4	5	5	14	30	58	8,406 15
Delaware.....	..	..	11	3	..	14	1,255 51
Maryland.....	4	8	137	4	4	157	15,463 92
District of Columbia...	..	..	1	..	1	2	200 16
Virginia.....	..	1	16	..	..	17	855 06
North Carolina.....	..	1	4	3	3	11	1,033 17
South Carolina.....	1	..	2	1	1	5	1,377 23
Georgia.....	..	..	..	..	3	3	415 93
Ohio.....	1	..	3	1	16	20	4,200 79
Tennessee.....	..	..	..	..	4	4	1,245 57
Alabama.....	..	..	..	2	..	2	57 33
Louisiana.....	..	..	7	3	3	13	1,444 23
Mississippi.....	..	..	..	..	..	..	.....
Kentucky.....	..	..	1	..	7	8	1,377 39
Michigan.....	..	..	6	1	5	12	958 65
Florida.....	..	..	..	..	..	..	.....
Total.....	66	79	510	153	91	898	113,135 44

TONNAGE OF THE UNITED STATES.

Statement exhibiting a condensed view of the Tonnage of the several districts of the United States, in tons and ninety-fifths, on the 30th September, 1838; from official documents in the Register's Office, April 2, 1839.

DISTRICTS.	Registered tonnage	Enrolled and licensed tonnage.	Total ton- nage of each district.
Passamaquoddy, Maine	682 28	8,760 65	9,442 93
Machias, "	176 86	8,770 06	8,936 92
Frenchman's Bay, "	1,443 25	14,524 38	15,967 63
Penobscot, "	5,914 18	27,126 21	33,010 39
Belfast, "	5,569 50	25,926 35	31,495 85
Waldoborough, "	9,397 67	27,263 72	46,661 44
Wiscasset, "	3,590 54	8,667 39	12,257 93
Bath, "	26,904 43	18,147 05	45,051 51
Portland, "	36,345 58	16,839 05	53,181 63
Saco, "	975 87	3,362 25	4,338 17
Kennebunk, "	5,382 35	3,493 23	8,875 58
York, " .....	.....	968 87	968 87
Portsmouth, New Hampshire	16,850 11	9,298 08	26,148 19
Newburyport, Massachusetts	10,640 66	9,908 52	20,519 23
Ipswich, " .....	.....	3,134 69	3,134 69
Gloucester, "	2,068 32	16,265 00	18,333 32
Salem, "	21,904 19	12,563 45	34,467 64
Marblehead, "	2,753 14	8,072 51	10,825 67
Boston, "	135,415 34	71,816 63	207,262 02
Plymouth, "	11,052 76	12,768 25	23,821 16
Dighton, "	2,414 28	6,524 12	8,938 40
New Bedford, "	73,627 47	11,755 67	85,383 19
Barnstable, "	4,456 09	44,704 86	49,160 00
Edgartown, "	5,120 29	1,059 37	6,179 66
Nantucket, "	26,658 15	4,635 22	31,343 37
Providence, Rhode Island	10,225 75	6,698 16	16,913 91
Bristol, "	13,134 70	3,212 42	16,347 17
Newport, "	6,892 08	4,323 92	11,216 05
Middletown, Connecticut	1,274 85	12,518 38	13,793 23
New London, "	22,272 02	21,251 76	23,523 78
New Haven, "	3,911 65	5,521 61	9,433 31
Fairfield, "	992 57	13,009 56	14,062 18
Vermont, Vermont .....	.....	4,250 00	4,250 00
Champlain, New York .....	.....	1,694 16	1,694 16
Sackett's Harbor, " .....	.....	3,717 04	3,717 04
Oswego, " .....	.....	6,582 52	6,582 52
Niagara, " .....	.....	119 81	119 81
Genesee, " .....	.....	408 71	408 71
Oswegatchie, " .....	.....	1,894 54	1,894 54
Buffalo Creek, " .....	.....	9,615 44	9,615 44
Sag Harbor, "	11,109 07	6,724 60	17,833 67
New York, "	169,922 32	231,049 47	400,971 79
Cape Vincent, " .....	.....	1,169 16	1,169 16
Perth Amboy, N. Jersey	595 92	15,478 37	16,044 34
Bridgetown, " .....	.....	13,725 73	13,725 73
Camden, " .....	.....	3,929 63	3,929 63
Newark, "	1,060 59	5,337 00	6,397 59
Burlington, " .....	.....	3,929 63	3,929 63
Little Egg Harbor " .....	.....	4,651 27	4,651 27
Great Egg Harbor " .....	.....	15,783 39	18,783 39
Philadelphia, Pennsylvania	42,266 21	45,080 30	87,346 51
Presque Isle, " .....	.....	3,216 04	3,216 04
Pittsburgh, " .....	.....	11,864 71	11,864 71
Wilmington, Delaware	1,398 71	15,372 71	16,771 50
Baltimore, Maryland	25,083 77	35,189 66	60,273 48

TONNAGE OF THE UNITED STATES, CONTINUED.

DISTRICTS.		Registered tonnage.	Enrolled and licensed tonnage.	Total ton- nage of each district.
Oxford,	Maryland	.....	13,227 53	13,227 53
Vienna,	"	479 85	15,703 28	16, 83 18
Snow Hill,	"	.....	7,833 38	7, 33 38
Annapolis,	"	.....	4 533 31	4,533 31
St. Mary's,	"	.....	2,461 03	2,461 03
Georgetown,	District of Columbia	2,690 25	5,965 57	8,655 82
Alexandria,	"	3,920 26	6,721 03	10,644 29
Norfolk,	Virginia	2,023 59	14,236 68	16,263 12
Petersburg,	"	2,218 78	2,641 26	4,860 09
Richmond,	"	2,551 13	2,596 13	5,147 26
Yorktown,	"	.....	962 81	962 81
East River,	"	334 22	4,867 57	5,201 79
Tappahannock,	"	214 86	3,849 77	4,064 68
Folly Landing,	"	.....	4,034 65	4,034 65
Yeocomico,	"	.....	3,265 47	3,265 47
Cherry Stone,	"	10 04	1,886 62	1,947 66
Wilmington,	North Carolina	7,992 53	2,779 47	10,772 05
Newbern,	"	1,871 01	1,409 04	3,280 05
Washington,	"	1,198 13	2,572 35	3,770 48
Edenton	"	2,138 66	4,431 73	6,570 44
Camden,	"	920 88	5,840 60	6,761 53
Beaufort,	"	.....	1,264 84	1,264 84
Plymouth,	"	389 37	1,020 73	1,410 15
Ocracoke,	"	1,155 82	1,216 04	2,371 86
Charleston,	South Carolina	10,684 55	13,836 87	24,527 47
Georgetown,	"	1,163 64	2,733 64	3,897 33
Beaufort,	"	.....	1,264 84	1,264 84
Savannah,	Georgia	9,284 49	7,384 17	16,668 66
Sunbury,	"	.....	100 59	100 59
Brunswick,	"	404 24	1,047 62	1,451 86
St. Mary's,	"	922 73	408 10	1,330 83
Cuyahoga,	Ohio	.....	9,495 72	9,495 72
Sandusky,	"	.....	1,467 42	1,467 42
Cincinnati	"	.....	10,376 36	10,376 36
Miami,	"	.....	2,806 91	2,806 91
Nashville,	Tennessee	.....	5,481 36	5,481 36
Louisville,	Kentucky	.....	7,734 00	7,734 00
St. Louis,	Missouri	.....	9,373 00	9,373 00
Detroit,	Michigan	.....	8,651 52	8,651 52
Michillimackinac,	"	.....	1,196 04	1,196 04
Mobile,	Alabama	8,203 22	7,904 09	16,107 31
New Orleans,	Louisiana	39,593 08	64,833 03	104,426 11
Pensacola,	Florida	807 55	2,152 61	2,960 21
St. Augustine,	"	.....	1,181 36	1,181 36
Apalachicola,	"	719 42	1,507 79	2,227 26
Key West,	"	1,191 56	1,014 19	2,205 75
Wheeling,	Virginia	.....	305 34	305 34
Total		822,591 86	1,173,047 89	1,995,639 80

USURY.

A correspondent of the New York Evening Post inquires, if the capitalists in our city, who have been recently seduced by the temptation of the United States post notes at one and a half per cent interest per month, have not made themselves liable to the penalties of our usury laws. The Revised Statutes define usury to be taking more than seven per cent per annum, for interest or forbearance, &c. The law "to prevent usury," passed in 1837—declares (Sec. 6)—that any person who shall "directly or indirectly" receive more than seven per cent per annum, &c., shall be deemed guilty of a "misdemeanor," and be punishable by "fine and imprisonment."

COMMERCE OF MARYLAND, FROM 1789 TO 1833.

• Ending September 30.

STEAM VESSELS ON THE ATLANTIC FOR 1840.

The number of steam ships which will ply to the different points on the Atlantic, in 1840, is forty-two; the aggregate horse power of which will be eighteen thousand and forty-eight; and of fifty-eight thousand two hundred and sixty tons. These are to be fitted out by the English and French governments.

COMMERCE OF VIRGINIA, FROM 1789 TO 1838.

Years.	EXPORTS.			Imports.	Duties on foreign merchandise imported.	Drawbacks on foreign merchandise.	Registered tonnage.
	Domestic.	Foreign.	Total.				
1791	.....	.....	3	.....	805,887	905	33,239 00
1792	.....	.....	3	.....	461,753	1,736	32,515 00
1793	.....	.....	2	.....	392,458	2,857	23,997 72
1794	.....	.....	3	.....	423,520	23,076	26,130 13
1795	.....	.....	3	.....	455,936	49,281	31,767 28
1796	.....	.....	5	.....	653,209	43,707	36,278 36
1797	.....	.....	4	.....	692,537	70,252	40,936 41
1798	.....	.....	6	.....	677,278	25,138	43,657 58
1799	.....	.....	6	.....	1,012,205	89,500	46,856 68
1800	.....	.....	4	.....	759,776	90,705	41,836 47
1801	.....	.....	5	.....	622,153	59,139	44,850 92
1802	.....	.....	3	.....	726,564	29,844	31,943 87
1803	5,949,267	151,441	6	.....	749,181	25,553	37,832 24
1804	5,391,903	391,194	5	.....	938,929	31,721	33,614 11
1805	4,941,633	60,935	■	.....	954,747	135,108	37,674 19
1806	4,621,687	428,769	5	.....	762,815	119,876	34,015 29
1807	4,393,521	367,713	4	.....	617,526	104,494	23,503 05
1808	508,124	18,349	.....	.....	132,749	6,259	29,485 28
1809	2,785,161	107,961	2	.....	306,618	38,451	36,699 29
1810	4,632,829	189,782	4,822,611	.....	510,124	46,543	45,339 78
1811	4,798,612	23,195	4,822,307	.....	214,305	9,012	28,744 71
1812	2,933,493	17,619	3,001,112	.....	707,372	6,962	32,730 66
1813	1,819,414	■■■	1,819,722	.....	137,123	14,392	25,938 68
1814	17,581	.....	17,581	.....	23,801	5,283	22,514 47
1815	6,632,579	44,397	6,676,976	.....	1,202,739	4,597	31,152 40
1816	8,115,890	96,970	8,212,860	.....	1,268,336	32,040	26,059 66
1817	5,531,238	60,204	5,591,442	.....	794,522	37,903	27,569 23
1818	6,911,414	74,832	7	.....	891,847	16,983	23,534 03
1819	4,358,734	35,537	4	.....	496,794	16,485	16,147 54
1820	4,744,438	8,820	4	.....	336,510	8,093	16,797 58
1821	.....	53,040	3	1,078,490	248,593	3,740	12,216 06
1822	.....	7,537	3	861,163	263,424	1,572	8,960 93
1823	.....	5,874	4	641,810	259,748	8,665	11,139 86
1824	.....	1,083	3	639,787	219,319	6,005	10,759 38
1825	.....	7,180	4	553,562	192,269	5,602	10,572 80
1826	.....	655	4	635,438	224,472	6,112	13,724 29
1827	.....	11,201	4	431,765	172,869	10,162	14,239 52
1828	.....	15,569	3	375,238	142,308	5,922	15,627 08
1829	.....	3,938	3	395,352	197,717	1,079	14,505 79
1830	.....	2,480	4	405,739	183,850	9,314	10,061 43
1831	.....	1,489	4	488,522	219,128	2,930	12,400 13
1832	.....	16,731	4	553,639	191,945	9,732	13,784 79
1833	.....	8,053	4	690,391	199,419	2,475	17,038 30
1834	5,469,240	13,859	5,483,098	837,325	1,03,827	393	18,966 70
1835	6,054,445	8,618	6,063,063	691,255	2,70,255	344	19,737 62
1836	6,044,028	148,012	6,192,040	1,106,814	300,762	6,203	16,501 37
1837	3,639,110	3,604	3,702,714	813,823	.....	.....	8,299 64
1838	3,977,895	8,333	3,986,228	577,142	.....	.....	7,405 82

UNITED STATES COMMERCIAL AND STATISTICAL REGISTER.

This is a weekly publication of 16 large octavo pages, published at Philadelphia by Samuel Hazard, well and favorably known as the editor of the *Pennsylvania Register*. Thirteen numbers have already appeared, and they contain a number of important official documents, and statistical tables on a variety of subjects. The tables which appeared in our August and September numbers, exhibiting at a glance the commerce of New York, Pennsylvania, and Massachusetts, were compiled by Mr. Hazard for that work, where they were originally published.

MERCANTILE MISCELLANIES.

MERCANTILE LIBRARY ASSOCIATION.

We learn with pleasure that the Board of Directors of this Institution, are rapidly completing their arrangements for the delivery of Lectures upon various scientific and literary subjects the ensuing winter.

Lectures have now become deservedly popular in this country. They afford both amusement and instruction, and are well adapted to the wants of a commercial community. The hours devoted to business by the merchant frequently unfit his mind for the investigation of many subjects, of which it is important he should possess some knowledge. Lectures are eminently calculated to remedy this difficulty; men of science and general learning are thus permitted to unlock their minds for the general benefit of the community, and the man of business feels a relaxation at the time he is receiving instruction of the most valuable nature.

Boston is perhaps in advance of any other city of the union, in regard to the popularity of lectures. It is not uncommon to have four different lecture rooms crowded upon the same evening. Judging, however, from the past, we are disposed to believe that New York will become a strong rival to our sister city the coming season. This method of communicating knowledge should be general, in consequence of its tendency to elevate the moral and intellectual character of the community.

Having seen the list of lecturers engaged by the Association, we may safely say, that the ensuing courses of lectures will be of a brilliant character, and give additional reputation to this valuable institution.

Mr. William Wood, one of the earliest and most zealous friends of the Mercantile Library Association of this city, has recently presented to the institution an excellent portrait of Mr. James Maury, framed with a part of the wreck of the long boat of the ship Republic. Mr. Maury is an old merchant, (being now ninety-three years of age,) and was formerly United States Consul at Liverpool.

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AN ILLUSTRATED ATLAS OF THE UNITED STATES AND THE ADJACENT COUNTRIES.

By T. G. Bradford.

This work is so largely devoted to commercial topics, and is in its general nature so useful to merchants, that a notice of it may be regarded as coming directly within the scope of our work. It is, moreover, a production that may fairly claim our attention, regarded only as furnishing evidence of the advanced state of the book-making art in this country, and of the taste for geographical knowledge, evinced by the demand which has brought such an atlas before the public. That we do not by any means overrate the superiority of this work, may be shown by the fact, that it has been recently adopted by the Secretary of the Navy of the United States, as one of the works to be furnished to our public ships; and moreover, we see by a late London periodical of high character, that in that capital of luxurious typography, this work extorts admiration, not only for its great literary and scientific value, but for the elegance, beauty, and perfection of its maps, paper, and print.

The work embraces about forty maps, on a large scale; one is devoted to each state, and every town appears to be given. There are, also, maps of the Canadas, of North America, an excellent map of Texas, and a very fine one of the West Indies. There are 172 large imperial folio pages of illustrations, letter press, geographical, historical, and

commercial. This portion of the work does infinite credit to the diligence, accuracy, and ability of the editor.

We cannot but deem the work one that claims the patronage of the public—for to merchants, students, &c., it must be invaluable. It is, moreover, so liberally got up, that we feel desirous of seeing it supported by a corresponding liberality on the part of the community.

GLASS WORKS AT SANDWICH, MASS.

The yards and buildings of this establishment cover six acres of ground. It employs two hundred and twenty-five workmen, who, with their families, occupy sixty dwelling houses. The raw materials used, per annum, are, glass, 600 tons; red lead, 700,000 pounds; pearlash, 450,000 pounds; Salt Petre, 70,000 pounds. They consume 1100 cords of pine wood, 700 cords of oak wood, and 100,000 bushels of bituminous coal. Seventy tons of hay and straw are used for packing the glass. The amount of glassware manufactured, is \$300,000 per annum; said to be superior to any other manufactured in America, and equal to any in Europe. By the application of heated air from the steam engine, to pans containing sea water, they manufacture about 3000 bushels of salt, per annum; and all the ashes is leached, and the ley converted to potash. It is said that the mere saving to the company, by this species of economy, which is carried through every department, is sufficient to pay a handsome dividend on the stock.

COMPARATIVE WAGES OF ENGLISH AND FOREIGN OPERATIVES.

Operatives are paid in

France	5s. 6d. per week of 72 hours.	
Switzerland.....	5s. 5d.	82
Austria	4s. 0d.	72
Tyrol.....	3s. 9d.	83
Saxony	3s. 6d.	72
Bona, on the Rhine.....	2s. 6d.	84

The average wages being a fraction under 4s. per week. The average wages paid to hands similarly employed in England, but for fewer hours, being 12s. a week.

INFORMATION TO SHIPPERS TO HOLLAND AND THE NORTH OF EUROPE ON MEASUREMENT GOODS.

A correspondent of the New York Courier and Enquirer states, that a merchant lately shipped on board of a *foreign* vessel 31 tons of wood as per inspection measurement, or 42 tons freight measure per sworn inspector. On the margin of the bill of lading tons 68½ was marked by the consignee of the vessel. This measurement was objected to by the shipper, and the answer he received was, that the measurement not being written in the body of the bill of lading, of course if objected to by the consignees, the goods could be remeasured at the port of landing. The consignees write that neither the captain nor the owners would allow a remeasurement, nor could they be forced by law, and state that the shipper here ought to have sent out a protest by the vessel. For a want of which document, the shipper loses more than \$200.

MANUFACTURE OF GUM ELASTIC IN HAVANA.

* We understand that strenuous exertions are being made by the Royal Patriotic Society of Havana, to introduce the cultivation of the *Ficus Elastica* into the island of Cuba, the soil and climate of which is supposed to be peculiarly suited to this species of industry. Caoutchouc, or Gum Elastic, is the product of a numerous variety of trees and shrubs; but the best qualities hitherto known, are extracted from the *Castilla Elastica* and *Ficus Elastica*. The multifarious uses to which this substance is at present applied, render it an object of great consequence; and we cannot but applaud the enterprising spirit manifested by the "faithful Habaneros," and the giant strides made by them in the development of the resources of the island. What a contrast there is between this colony and the mother country!

HUNT'S MERCHANTS' MAGAZINE.

No. V.

NOVEMBER, 1839.

ART. I. — LECTURE ON COMMERCIAL INTEGRITY.*

THE lecture which I shall have the honor of offering to you, was delivered, some years ago, to an institution in Philadelphia, of a similar character with your own. If some of my remarks may appear to be harsh or unjust, I beg you to carry your recollection to the period at which they were written. Even then I expressed an opinion that the wrongs I condemned had diminished and were diminishing, and I am now proud to say that this opinion is verified. The standard of our commercial character is rising, at home and abroad, and our merchants look more scrupulously, in their enterprises, to what is rigidly moral and just, checking the spirit of speculation by the restraints of a sound and honest discretion. The vulgar maxim, that "every thing is fair in trade," is tolerated only by the vulgar trader; the high-minded, honorable, intellectual merchant, disdains it. He has been taught by severe lessons to make his calculations on just and rational premises, and to forbear to plunge into rash and ruinous experiments. This happy change may, in a great degree, be traced to such associations as this. The man who sits alone in his counting-house, brooding over his day-book and ledger, intent only upon what he may gain, with no eye to watch his movements, no warning voice to guard him against the seductions of cupidity or pride, may slide into practices, may reconcile himself to irregularities, which he would shrink from if he were awakened to a better conscience by an association with men of high and correct principles, and a communion with those of his own calling, from whose conversation and example he would receive more pure and salutary lessons. Your lectures, treating of moral and intellectual subjects — addressing themselves to the most elevated principles of the human character — cultivating every inclination to virtue, and exposing the danger and disgrace of ignorance and vice, — cannot fail

* We are indebted to the Hon. Joseph Hopkinson, one of the judges of the United States Circuit Court, for his able lecture on Commercial Integrity, delivered before the Mercantile Library Associations of New York and Philadelphia. The fearless exposure and censure of the many abuses existing in the commercial usages of this country, must meet with the approbation of all honorable merchants.

to chasten the opinions and purify the hearts of those who hear them. Can any man meet such a company as this, can he be united with them in a common design of improvement, and harbor in his bosom that which is low and dishonest? Can he listen, from week to week, to the instructions of knowledge and integrity, and go home to the practice of fraud and dishonor?

Before I proceed to the main subject of this lecture, allow me a preliminary explanation, which may be necessary to prevent a misapprehension of my remarks. In my strictures upon our commercial character, I do not mean that they shall be applied to the conduct of the American merchant in his traffic of buying and selling. He is there upright and fair. He misleads by no misrepresentation — he deceives by no equivocation — he buys and sells honestly. The defect of integrity which I complain of, is the culpable heedlessness, the rash and absurd calculations or expectations, upon which he makes contracts and embarks in adventures, with scarcely a chance, with the bare possibility, of success, and with the certainty that the losses of the failure will fall upon those who have trusted to an honest fulfilment of his contracts. Add to this first fault, the indifference with which he meets the event, which involves those who have confided in him in difficulties, perhaps in ruin, and we have a sad case of depravity. A man who makes a promise, intending to break it, stands but little lower on the scale of morality, than one who depends upon a bare possibility of having the ability to perform it, and takes but little care whether he does or not. This rash confidence in the future, this delusive expectation of rapid wealth, has induced many, perhaps honest and honorable until thus tempted, to lay their hands on funds held in sacred trust, seducing themselves with the belief that they could so employ them as to enrich themselves, and restore the plundered treasure undiscovered. False and fatal hope! how soon succeeded by a total wreck of fortune and reputation! Such reasoning brought Dr. Dodd to the gallows, and has destroyed many better men.

Gentlemen — The subject of this lecture is one in which you have a deep interest, individually and nationally; that is, the commercial character of the merchants of the United States, for integrity and honor in the relations of debtor and creditor. The sound principles which ought to govern this relation have been so neglected or abused, as to have brought a stain upon the American name, sinking it below the standard of mercantile morality in other countries. My views of this important subject will be exposed to you without palliation or disguise; my opinions will be expressed with absolute frankness. The time, however, imposes a brevity on me which will preclude the fullness of evidence and illustration which justice to those opinions would demand.

There is no class of our citizens on whose conduct the reputation of our country, for probity and honor, so immediately depends, as our merchants. The operations of others are confined within our own limits, and the good or evil they may do is seldom felt or known beyond them. The merchant, on the contrary, in the prosecution of his business, touches every portion of the earth, and comes in contact with the people of all nations. Whether our statesmen are wise and patriotic, or not — our legislators enlightened and eloquent — our divines accomplished and pious — our lawyers and physicians skilful, learned, and faithful — our mechanics ingenious and industrious, — are domestic concerns, questions of opinion or prejudice, about which strangers may dispute and differ with us, without any imputations upon us as a moral and just people; but whether our merchants are honest,

or not — whether they are upright and conscientious — whether it is safe or dangerous to deal with them, — are questions of fact, in which foreigners have a close and daily interest; are questions not of theoretical conjecture, but to be decided by the evidence of experience, by the actual transactions of business; not to be misunderstood by any capacity, nor concealed from the dullest comprehension.

The American merchant, then, should never forget that he holds the character of his country, as well as his own, in a sacred trust, and that he betrays both when he enters into the crooked paths of dissimulation and trick, or on the broad and fouler ways of dishonesty and fraud. Strangers can know us only by the individuals they deal with, whom, in the spirit and usage of trade, they will take as specimen or sample cards of the whole. If they find their confidence abused, the reproach is visited not only on the fraudulent merchant, but on his nation; and we are all involved in his iniquity.

It is, I fear, a truth we cannot question, that the character of an American merchant is not highly respected abroad; it is looked upon with distrust; it has been severely reproached. Is this merely European prejudice? Is it an injustice of which we may complain? Is there not, or has there not been, — for I believe we have improved and are improving in this respect, — a looseness of principle and practice in contracting and paying debts, very rare, if not unknown, among men of the same standing in trade in Europe, at least on the continent? The ambition to do a *great business* is here universal and devouring; the disposition to contract debts becomes eager and reckless; the obligation to pay them is but faintly felt, and the failure to do so hardly produces a sensation of shame in the defaulter, or of any resentment or neglect towards him on the part of his friends or the public. Our commercial community seem to make a common cause with every delinquent trader, and to treat the most criminal extravagance, the most thoughtless indiscretion, the most daring and desperate speculations, with the lenity due to accident or misfortune. When the catastrophe, which sooner or later awaits such a course of proceeding, comes, a hasty arrangement is patched up between the debtor and his creditors, altogether under the dictation of the former, who deals out the remnants of his property, if there be any, to his friends or favorites, at his will and pleasure, with the air of a lord chancellor, and the creditors have nothing to do but to hear and submit to the decree, in the shape of an assignment. Reservations are made, releases stipulated, preferences provided for, and the master of the ceremony throws the crumbs that may remain to the mass of the sufferers, who must take them or nothing. Debtor and creditor retire from this dishonest mockery with mutual ill will, the one to resume his business, his station in society, his pride and importance, his style of living, without any visible shame, degradation, or retrenchment; and the other, to repeat the same system of credit, with the same disastrous credulity, to be again its victim. It is not unfrequent for the same individual to run a second time over the same course of extravagance, folly, and ruin. If this is the manner in which we settle the affairs of an insolvent, we may imagine what becomes of the absent foreign creditor and his claims, and cannot be surprised if he is loud and sharp in his complaints. In some instances, there is so little feeling of mortification excited by a bankruptcy, so little remorse for the losses which others will suffer by it, that the whole affair is turned into a jest. Two of these reciprocal drawers and endorsers — these mutual assurance gentlemen, were enjoying themselves at a convivial

dinner, on the day they would be under protest, when one of them suddenly took out his watch, and, observing it was three o'clock, cried out, "Tom, we are broke." The joke was thought excellent, and set the table in a roar. Is not this criminal levity? Is it not to make sport of plunder — to create distress, and then to mock it?

I am far from intending to involve every insolvent debtor in these reproaches; and I repeat, that this heartless depravity, this audacious indifference to the consequences of insolvency to creditors, is becoming less frequent among us; a more healthy tone of feeling is prevailing. Bankruptcy is often the consequence, here as elsewhere, of inevitable misfortune, and is met with fidelity and honor. The life of a merchant is, necessarily, a life of peril. He can scarcely move without danger. He is beset on all sides with disappointments, with fluctuations in the current of business, which sometimes leave him stranded on an unknown bar, and sometimes sweep him helpless into the ocean. These vicissitudes depend on causes which no man can control, and are often so sudden, that no calculation could anticipate, or skill avoid them. To risk much, to be exposed to hazards, belongs to the vocation of a merchant; his usefulness and success depend, in many cases, on his enterprise. He must have courage to explore new regions of commerce, and to encounter the difficulties of untried experiments. To be unfortunate in such pursuits, is no more disgraceful to an upright trader, than to fall in the field of battle is dishonorable to the soldier, or defeat to a general who has done all that valor and skill could achieve to obtain the victory. Very different is the case of one who, with little of his own to jeopard, commences business on a system of commercial gambling, and makes his desperate throws at the risk of others; who embarks on rash and senseless adventures, condemned by common sense as by honesty; and when they end in a total wreck, looks his abused creditors coolly in the face, and offers them a list of bad debts, and an inventory of worthless goods, provided they will release him forever from their claims. Enterprise, to be wise, to be honest, should be founded on some principle, should be directed by experience, by knowledge, by a fair and reasonable calculation of the result.

It cannot be denied that a course of proceeding, such as I have spoken of, between a bankrupt and those who have trusted him — that the authority he assumes, sometimes insolently, over his property, in exclusion of those to whom it rightfully belongs — are utterly inconsistent with the principles of honest dealing. They bespeak an unsound, may I not say a corrupt, state of the mercantile body, so far as they extend, and are destructive of all security in commercial dealings. This disease must be probed and corrected; every honest man has an interest in removing it. Our merchants must not consider themselves, or allow others to consider them, as petty traffickers for petty gains, but as *merchants*, in the largest and most honorable sense of the term; as the men by whom the great operations of the world are sustained, by whom the intercourse of the human family, however scattered and remote, is kept up; as the instruments of civilization, of moral and intellectual improvement; as the agents to distribute the comforts and luxuries of life over the whole surface of the globe. By them the human race, of every complexion and character, and wheresoever they may inhabit, are brought together, and taught to know and to aid each other. They bring the products of every soil and clime, of every species of labor, industry, and skill, into a common stock, for the use and enjoyment of all. They are the peace-makers of the world, for they show it to be the interest and happiness of all

to remain at peace; and they demonstrate that it is easier to obtain the good things we may desire from others, by commerce than by conquest, by exchange than by arms. They soften national asperities, and remove unjust prejudices, by a friendly and beneficial intercourse. Such high functions cannot be performed by ordinary men, and much less by the mean, the sordid, or the fraudulent. Those who do perform them faithfully are the noblest benefactors of mankind.

If it be true, as I have suggested, that commercial punctuality and integrity are less regarded here than in Europe, we should inquire into the reason of the difference. The cause of many of our failures in trade, and of the irregularities and misconduct which follow them, will be found in the absolute ignorance of the trader in the business in which he has embarked. Every man thinks himself qualified to be a merchant, as if by intuition; and never imagines that any preparation or instruction is necessary. He launches upon the unknown sea, without experience, without knowledge, without chart or compass, and is soon a stranded wreck. To render himself fit to exercise the profession of a lawyer, a physician, or the simplest mechanical art, the candidate puts himself regularly on a course of tuition, and labors for years to acquire the learning and skill of the occupation. Without this preparation, it would be ridiculous for him to expect the patronage or countenance of the community for his undertaking. Not so with trade. A successful mechanic, who by his industry has accumulated a few thousand dollars, scorns the honest means by which he acquired his wealth, and must be a merchant; as if the mysteries and complicated operations of commerce could be unfolded on a shop-board, or book-keeping taught by threading needles. Why could he not be content to be useful and respected in the business he understood, and in which he was truly respectable, and reject the indulgence of a false and foolish pride, to be something that he is not, which cannot but expose him to ridicule, and will probably strip him of his well earned wealth? He would think it very preposterous if a merchant were, in the same manner, to take up his craft, and become his rival; and is it less so for him to step into the path of the merchant? Is it more easy to open the springs and manage the currents of commerce—to provide, deposit, and regulate the funds and finances of various and extensive mercantile operations, so that they shall meet every want at the proper time and place—than to cut a coat, shape a hat, or make a pair of rights and lefts? The mechanics of our country are as conspicuous for their liberality, integrity, and intelligence, as for their industry and skill; and it is only when they leave their proper employment, and cease to be mechanics, that they lose their high standing. Does any one believe that commerce is so low in the scale of human affairs, that the qualifications it demands are so common, as to require no suitable education, no experience to acquire them? Why should it not be necessary for one who aims at the honors and profits of trade, who expects to be distinguished by ability and success as a merchant, to undergo a process of instruction to obtain a knowledge of his art? Why should he not begin his training in a counting house, where he would see the practical operations of business in all its various branches; where he could acquire habits of system, regularity, and exactness—understand thoroughly the science of accounts and the usages of trade; where he could learn to distinguish with promptness and accuracy the qualities of merchandise, the fluctuations of the market, and the causes which affect them; and get a tact of caution and foresight, of calculation and decision, which are necessary to secure a safe and continued

prosperity. It is thus, I understand, that merchants who deserve, or even aspire to, that name, are made in other countries. Not so with us. A man but says, "I will be a merchant," and he is a merchant. The creation of light was scarcely more instantaneous. Whatever may have been his previous education or occupation, — or if wanting in both, — if he can open a counting house, and get an indorser, he is a merchant, and, as such, repairs to the exchange, and is at once admitted into the fraternity. He puts on a bold face and a brave spirit, dashes at any thing that offers in the way of doing business, however desperate, and finds every body eager to trust him. He relies on chances which are a hundred to one against him, and his very hardihood obtains for him consideration and credit. His adventure is put to sea: he hopes to enter a closely blockaded port, or, by some miraculous accident, to make money where all others have lost it. If the issue be against him, he calls his creditors together, rather with a sort of pride — for it proves he has been doing business — than with any feeling of humiliation, and tells them — what they might have known before — that he is ruined, and has nothing to pay them; asks, as a matter of course, for a release, and is exceedingly offended if they hesitate, or require any explanations of his proceedings and expenditures, his property and his losses. Fairly cut loose from his debts, he sets out for new adventures and experiments of the same character. If, on the other hand, he should, against all reason and experience, succeed in his enterprise, although by a prodigy, and without an atom of knowledge, foresight, or skill, he at once becomes a great merchant, acquires a reputation for deep sagacity, is an important man on 'change, is regarded with peculiar deference, his acquaintance and custom are eagerly sought, his credit has no bounds in banks and out of banks, he borrows and buys at his pleasure, and, after a brilliant run of a few years, perhaps of a few months, he falls into irretrievable ruin, brought on by the encouragement of his first success, the flattery and importance he derived from it, and as the inevitable, although procrastinated, result, of ignorance, presumption, and incapacity in the business he engaged in.

I consider, then, this to be one of the causes of the want of elevation and stability in the character of an American merchant — that men assume it who are utterly unqualified for its high offices by their general education, by a particular education adapted to them, by the want of the knowledge, acquirements, and habits which are indispensable to command respect and obtain a continued and honorable success.

There are other causes, still more grave and disreputable, of the disasters in our trading community. I would particularly refer to the system of endorsing which prevails: the facility of obtaining credit for immense sums, on the faith of mere names, with hardly an inquiry into their substance and strength; and the contrivances and deceptions which are resorted to to keep up the false and hollow credit thus obtained, and to postpone, as long as possible, the inevitable explosion, even after it is known to be inevitable. This is rank dishonesty. Wherever a trader clearly sees that he cannot hold his ground, he should at once give it up, and not strive to prop himself up by desperate expedients of buying and borrowing, of endorsements and credits, which but sink him deeper in ruin, and draw his confiding friends into his difficulties. What is the value of an endorser in our system of business? An endorsement purports to be a surety for the payment of the note; an additional security to the responsibility of the drawer. How seldom is this the fact! Yet such is the competition for business, the eagerness even to seem

to be engaged in it, that such securities are sought and seized upon as if they were as sure as the bond of fate. Experience has taught every one that the drawer and endorser are so linked in with each other, so equally bound in mutual responsibilities, that the failure of one is the failure of the other, and the security of both no better than the security of either. CREDIT, CREDIT, — with little regard to the means of paying, — often ruinous to both parties, is the fatal bane of commercial prosperity, of commercial honor and honesty. The transactions of business are little more than fictions. Goods are sold which the seller has not paid for, and the buyer gives a note for them which will never be paid; and this is called doing business. This is followed by forced sales and destructive sacrifices, for immediate, but temporary, relief; and the whole winds up with an assignment, when there is nothing of any value to assign. A consequence of this state of things is, that the true merchant, with a substantial and responsible capital, is deprived of his fair business and profits by a swarm of penniless speculators, who will sell, and must sell, for whatever price they can get; for the moment the ball stops rolling, they cease to exist. This, assuredly, is an unhealthy state of trade, and corrupts and enfeebles the whole commercial community. Who has not been astonished, when bankruptcy comes upon such a trader, by the enormous extent of his debts; that is, of his credits, in proportion to any property he ever possessed, and even to his apparent or supposed business or means. He has been a very small trader who breaks for less than fifty or an hundred thousand dollars; and he is a very uncommon one who has as many hundred cents to pay them.

Money so easily got is as lightly spent, and brings us to another dark and deep stain on our commercial reputation. The proud splendor, the reckless extravagance, the boundless luxury, in which these ephemeral princes indulge themselves, is shockingly immoral, when, at the conclusion of the pageant, it appears that it was got up at the expense, perhaps on the ruin, of his creditors. Magnificent mansions in town and country, gorgeous furniture, shining equipages, costly entertainments at which five hundred or a thousand dollars are squandered in an evening; in short, a style of living, an exuberance of expenditure, which would be unwise in our country with any amount of fortune, and is absolutely criminal in the actual circumstances of the spendthrift. When the blow falls that prostrates this grandeur, what efforts are made upon the good nature of the creditors, to retain as much as possible of these gaudy trappings for the family, instead of casting them away as the badges and testimonies of deception and dishonor. Little sympathy is shown for the injuries and losses of those who have fed with their substance the bloated folly of the delinquent; little regard to public opinion is manifested by him, and scarcely a sense of decorum or shame; but every thing is hurried to a conclusion, that he may resume what he calls his business, be trusted, and — betray again.

Should I forbear to give utterance to a reflection which rises upon us here—domestic, it is true, but of infinite concern to a heart that has not smothered the sensibilities and duties of nature, as well as the obligations of justice. If the splendid impostor should not live to make his arrangements with his creditors, in the manner I have mentioned — if he should be cut off before he has run through his course of dissipation and ruin, in the very midst of his enjoyments — what a scene of distress and desolation is exhibited in his house. The wand is broken; the delusion dispelled, and realities take the place of visions of happiness and wealth. The spacious hall — the rich

parlors shining with lustres and gold—the luxurious chambers—are now thrown open and crowded with auctioneers or the officers of the law, and a motley assembly brought there for bargains, or by curiosity. Every thing is torn away; scarcely a comfort left, where but just now all was abundance and luxury. The scene is well depicted by a great dramatic poet:

“ Here stood a ruffian, with a horrid face,
Lording it o’er a pile of massy plate,
Tumbled into a heap for public sale;
There was another, making villanous jests
At thy undoing; he had ta’en possession
Of all thy ancient, most domestic ornaments,
Rich hangings, intermix’d and wrought with gold.”

And his afflicted wife and children—what is their condition? Accustomed to the most delicate and costly indulgence; every wish anticipated, every sense of pleasure gratified; so protected that the winds of heaven might not visit them too roughly; unconscious of danger, they find themselves in a moment, penniless—helpless—hopeless. A school, or a boarding house, unfit for both, is their last poor refuge from want. Is there no immorality in this? Is it not a cruel and criminal violation of sacred and tender duties? Is it not a clamorous sin, thus to deceive and destroy those dear and innocent beings, that should reach the offender in his grave. If he could hear and respond, he would cry, “O, I have ta’en too little care of this!”

When a trader is brought to bankruptcy, by whatever means, important moral duties are imposed upon him, and he will preserve his character or deepen his condemnation, as he shall faithfully discharge, or obstinately disregard them. Opinions have got a footing among mercantile men—a code of ethics has received a sanction from them—which appears to me to be altogether wanting in sound principles of justice and morality. Before I speak of these, I will go a little back into the situation of the bankrupt, in which few conduct themselves prudently and conscientiously. I have already alluded to it. It rarely happens that the ruin of a merchant is effected at a single blow—by one unlooked for mischance. It is more usually the result of a series of unfortunate events, or rash adventures, or of wanton expenditures; each bringing him nearer to the catastrophe. He has many significant warnings of his fall, and cannot but see its approach, when he dares to look steadily towards it. But this is what he studiously avoids. He shuts his eyes upon it; he strives to deceive himself, and continues to deceive others. He turns from expedient to expedient, from bank to bank, from friend to friend, from usurer to usurer, from sacrifice to sacrifice, increasing, at every move, his debts and difficulties, until he can struggle no longer, and sinks under a load doubled or trebled by his desperate efforts to extricate himself. If he had had the wisdom, the manliness, the honesty, to yield to the pressure when it first became too heavy for him, how many sacrifices would have been saved, how many debts avoided, how much injury and reproach prevented. This weakness, this reluctance to surrender, when we know, or ought to know, that we cannot sustain the contest, is the source of much of the calamity and misconduct which attend an insolvency. It is confessed and regretted too late.

We come now to the period when the struggle is over. The failure is admitted and announced. In this situation, what should a just and faithful man believe to be his duty? The answer to this question would present itself without hesitation to an ingenuous mind, uncontaminated by unsound

opinions, unfettered by false maxims and politic usages. The answer would be — I will surrender to my creditors my property of every description, for in truth it is theirs, to be distributed among them in proportion to their respective debts, untrammelled by any conditions for my own advantage, unimpaired by any disposition or incumbrance made with a view to my insolvency, and I will depend upon their liberality and my own industry, guarded by more caution and economy, for my future fortune and support. Such a man would come again into business entitled to public confidence, and he would receive it; he would come chastened and instructed by the school of misfortune, and, by the upright prudence of his second course, redeem the errors of the first. How different is the course of proceeding almost universally adopted in such cases. The debtor constitutes himself the sole judge between himself and his creditors; he sits down to make, at his pleasure, what he calls an assignment; he deals out his estate to such persons, and in such portions, as he may deem most expedient for himself, or find most agreeable; he dictates the terms, having a special regard to his own interest, on which ten per cent. or five per cent. shall be paid to the claimants; he selects the persons, of course his kindest friends, who shall execute these trusts; and when every thing is thus decided and prepared, he summons his creditors to a meeting, not for consultation, not to learn their wishes and opinions about their own rights and interests, not to ask them what he shall do, but to inform them of what he has done. In this assignment, it is almost universal to find the greater part, very often the whole, of the property given to what are called preferred creditors, among whom, indorsers usually hold a conspicuous place. I have never ceased to reprobate this practice, and to believe that it has no justification in any principle of right or good conscience. What is the superior claim of an indorser to payment and indemnity? He was fully aware of the hazard when he made the engagement; it was as much an ordinary risk of trade as the sale of merchandise. He took it upon himself, without asking any other security than the solvency and good faith of the drawer. The vendor of goods does the same. On this security the one gives his name, and the other his property; the latter expects nothing but the payment of his debt, while, in nine cases out of ten, the former receives the same favor he bestows. And yet this indorser is to be preferred to the man who has delivered his goods, his labor, his money, on the faith, probably, of the false credit, of the unsubstantial display of wealth, made or kept up by the aid of this indorser, whose name and promise have thus been the instruments of deception, the lures to entice the unsuspecting into a vortex of ruin, from which the indorser expects to be saved by virtue of an assignment and a preference. The case is aggravated; it becomes one of unqualified plunder, when this indorser, after putting his preference in his pocket, never pays the engagement for which it was given, but settles with his creditors in the same way. Can we imagine any thing more shocking to every sense of justice and morality, than that an honest dealer, who, but a few days before the failure of his debtor, had delivered to him goods, at a fair price, should be called to witness his bales of merchandise, his barrels of flour, just as they were received from him, unbroken, unpaid for, handed over to an assignee for the exclusive benefit of some preferred favorite creditor, under the pretence that he was an indorser; or on some pretence equally iniquitous. Yet such things have been done; you all know it, and neither shame nor dishonor has overwhelmed the perpetrator. I regret that time and the occasion do not allow me to speak more fully of this system of pre-

ferences; to expose its injustice, its impolicy, its pernicious effects upon fair trading, and to show you that while it is maintained, it is in vain to expect a healthy state of commercial credit, a conscientious caution in contracting debts, or an honest endeavor to discharge them.

From this condemnation of preferences, I would be understood to except a peculiar case, that is, the case of money or other property deposited in trust. This should be sacred. It has nothing to do with the trustee's business or trade; no interest or profit was derived from it to the owner; it was never intended to be exposed to any risk, or to be involved with his general affairs. In fact, it never, in any just acceptation, became a part of the property of the trustee, assignable by him as such. It never was, morally, at his disposal, for any other uses or purposes than such as were designated by the terms of the trust, the grant by which he obtained it. He had the legal possession, but the property never ceased to be in the party by whom, or for whom, it was deposited. To prefer such a claim is not to take from the creditors any thing that was theirs; it is but to return the money to its rightful owner, as you would return a borrowed horse, or any other specific article; and there can be no ground of complaint for any body.

If the evils of which I have spoken exist in our commercial community; if they are not only producing distress and ruin at home, but are dishonoring the American name abroad, we should anxiously desire to remove them: we should seek for and apply the remedy. That remedy ought to be found in the laws of our country, so far as laws can reach the disease; but it is in vain we look there for redress—on the contrary, it is in the defects of our law that we find, mainly, the source of the mischief; every thing seems to have been done by our legislators to favor the debtor, be he honest or not; to weaken the rights of creditors, to put them at the mercy of the debtor to receive from him just so much justice as, in his good pleasure, he may choose to accord to them, and to deny them a reasonable and satisfactory account from him who first defrauds and then defies them. We have no bankrupt law by which a power is given to competent persons to examine closely and particularly in what manner, for what purposes, the debts of the bankrupt were contracted; whether in the fair and regular pursuit of his business, or in the indulgence of flagrant immoralities and vices; to search deeply, with the means of forcing out the truth, into the manner in which his property has been lost or disposed of; to ferret and foil every attempt at concealment, to lay all his transactions bare, to insist upon explicit and satisfactory explanations of all that is suspicious or doubtful; and, when this purifying process is completed, to distribute all the effects obtained by it, honestly and equally, among the creditors, in proportion to their respective debts. Had we such a system, we should hear of no preference to indorsers; no favors to friends; no partial assignments for special objects, which are just so many contrivances by which an insolvent may cover benefits for himself; and finally, while a bankrupt law inflicts severe, but merited, penalties upon a fraudulent; prevaricating, perjured debtor, it holds out cheering inducements and honorable rewards to the open and upright man; it cherishes and protects the unfortunate but honest debtor, and returns to him a part of his substance to supply his wants and resume his business.

Wholly different from this are the character and influence of our insolvent laws; at least in Pennsylvania. They do not affect to make any distinction between honesty and dishonesty, fraud and misfortune; between the man who has been ruined by the casualties of trade, and one who has

wasted his estate in the most nefarious course of dissipation and vice. If it be manifest, if it be confessed, that the petitioner has poured out his money, or rather that of his creditors, in the dark dens of gambling, or the foul stews of infamy—it is nothing. If his debts have been contracted by false promises, by broken faith, by fraudulent pretences, by the basest contrivances;—it is nothing, he will, nevertheless, receive the benefit of the laws intended, one would presume, for unfortunate debtors; he demands and obtains his relief, although he may stand before the court which awards it to him, a convicted, avowed swindler. He takes the prescribed oath with an air of absolute indifference, and marches off with the step of a conqueror. The only subject investigated, the only question to be answered, is, do you *now* offer to deliver up, for the use of your creditors, all the property you *now* possess. When a debtor holds such a power over his estate to the last moment, what will there be left to be delivered up? It is true, the mockery of an assignment is gone through, but it is so well understood that there is nothing to be transferred by it, that it rarely happens that the assignees take upon themselves the empty trust, or are put in possession of one dollar by virtue of it. Creditors no longer think it worth while to attempt an opposition to the discharge, however they may have been injured and defrauded.*

As our laws between debtor and creditor rather encourage than suppress the impositions and injustice we have spoken of, there is but one other tribunal to which we can look for correcting them. *Public opinion* must inculcate sound doctrines, and visit with indignation those who offend them. While the truly unfortunate insolvent should be treated with tenderness and respect; should be enabled by a generous assistance to re-establish himself and retrieve his fortune by increased industry and economy: the careless spendthrift, the rash and reckless adventurer, the slave of vicious indulgences, who sports with property not his own, and lavishes uncounted sums to glut his pride and pamper voluptuous appetites, who wastes with extravagance what he has gained by fraud—should be made to feel his crimes and his degradation by the withering neglect of an honest community.

The topics I have endeavored to bring to your consideration are far too extensive in their illustrations and importance to be compressed, with the justice that is due to them, within the compass of a lecture. I have not attempted or hoped for more, on this occasion, than to present them to you in their broad and general aspects, and to invite you to give them a more full and exact examination in your own reflections. Look to your experience, to that which has passed and is passing under your own eyes, for the truth of the facts I have stated; and, for the principles I would inculcate, turn to the fair and unprejudiced suggestions of your own hearts and understandings. Do not believe that there is one sort of honesty, one code of morality,

*The insolvent system of New York, so far as regards contracts made, or to be executed, within the state, has much of the character of a bankrupt law. The debt is discharged, and not merely the person of the debtor exonerated from imprisonment. The scrutiny into the conduct of the insolvent, and the restrictions imposed upon his acts in contemplation of insolvency, are, at least, *nominally*, more rigid than in Pennsylvania. Nevertheless, the chancellor and judges of the supreme court of New York reported to the legislature that, in their opinion, the insolvent law was the source of a great deal of fraud and perjury; that the evil arose from the infirmity inherent in the system; that it renders the debtor heedless in the creation of debt, and careless as to the payment; that he hopes for relief rather in contrivances for a discharge, than in exertions to perform his duty. "That the system has been, and still was, and probably ever must be, from the nature of it, productive of incalculable abuse, fraud, and perjury, and greatly injurious to public morals."

in the midst of their business, and not unwisely intending to make up for the deficiency of those qualities in retirement ; who wish to improve and beautify some pleasant rural abode, and thus, and in many other ways, to be useful to the country around them. To such a retirement, I have nothing to object : and I only venture to suggest, as an obvious dictate of good sense, that he who proposes, some day, to retire from business, should, in the mean time, cultivate those qualities and habits, which will make him happy in retirement. But this I also say, that I do more than doubt, whether any man who is completely engrossed in business, from morning till night, for twenty or thirty years, can be prepared to enjoy or improve a life of leisure."

The sensible remarks on the rage for speculation, though perhaps more *apropos* at the time when they were made than now, are nevertheless suited to all time, and particularly applicable to our own community.

" Another topic, of which I wish to speak, is the rage for speculation. I wish to speak of it now in a particular view—as interfering, that is to say, with the moral end of business. And here, again, let me observe, that I can have nothing to do with instances, with exceptions. I can only speak of the general tendency of things. And it is not against *speculation simply*, that I have any thing to allege. All business possesses more or less of this character. Every thing is bought on the expectation of selling it for more. But this rage for speculation, this eagerness of many for sudden and stupendous accumulation, this spirit of gambling in trade, is a different thing. It proceeds on principles altogether different from the maxims of a regular and pains-taking business. It is not looking to diligence and fidelity for a fair reward, but to change and chance for a fortunate turn. It is drawing away men's minds from the healthful processes of sober industry and attention to business, and leading them to wait in feverish excitement, as at the wheel of a lottery. The proper basis of success—vigilant care and labor—is forsaken for a system of baseless credit. Upon this system, men proceed, straining their means and stretching their responsibilities, till, in calm times, they can scarcely hold on upon their position; and when a sudden jar shakes the commercial world, or a sudden blast sweeps over it, many fall, like untimely fruit, from the towering tree of fancied prosperity. Upon this system, many imagine that they are doing well, when they are not doing well. They rush into expenses, which they cannot afford, upon the strength, not of their actual, but of their imaginary or expected means. Young men, who, in former days, would have been advised to walk awhile longer, and patiently to tread the upward path, must buy horses and vehicles for their accommodation, and mounted upon the car of fancied independence, they are hurried only to swifter destruction.

" This system of rash and adventurous speculation, overlooks all the moral uses and ends of business. To do business and get gain, honestly and conscientiously, is a good thing. It is a useful discipline of the character. I look upon a man who has acquired wealth in a laudable, conscientious, and generous pursuit of business, not only with a respect far beyond what I can feel for his wealth—for which, indeed, abstractly, I can feel none at all—but with the distinct feeling that he has acquired something far more valuable than opulence. But for this discipline of the character, for the reasonableness and rectitude of mind which a regular business intercourse may form, speculation furnishes but a narrow field, if any at all; such speculation, I

mean, as has lately created a popular phrensy in this country about the sudden acquisition of property. The game which men were playing was too rapid, and the stake too large, to admit of the calm discriminations of conscience, and the reasonable contemplation of moral ends. Wealth came to be looked upon as the only end. And immediate wealth, was the agitating prize. Men could not wait for the slow and disciplinary methods by which Providence designed that they should acquire it; but they felt, as if it were the order of Providence that fortunes should fall direct from heaven into their open hands. Rather, should we not say, that multitudes did not look to heaven at all, but to speculation itself, instead, as if it were a god, or some wonder-working magician, at least, that was suddenly to endow them with opulence. Acquisition became the story of an Arabian tale; and men's minds were filled with romantic schemes, and visionary hopes, and vain longings, rather than with sobriety, and candor, and moderation, and gratitude, and trust in Heaven.

"This insane and insatiable passion for accumulation, ever ready, when circumstances favor, to seize upon the public mind, is that 'love of money which is the root of all evil,' that 'covetousness which is idolatry.' It springs from an undue and idolatrous estimate of the value of property. Many are feeling that nothing—nothing will do for them or for their children, but wealth; not a good character, not well trained and well exerted faculties, not virtue, not the hope of heaven—nothing but wealth. It is their god, and the god of their families. Their sons are growing up to the same worship of it, and to an equally baneful reliance upon it for the future; they are rushing into expenses, which the divided property of their father's house will not enable them to sustain; and they are preparing to be in turn, and from necessity, slaves to the same idol. How truly is it written, that 'they that *will* be rich, fall into temptation, and a snare, and into many foolish and hurtful lusts, which drown men in destruction and perdition!' There is no need that they should be rich; but they *will* be rich. All the noblest functions of life may be discharged without wealth, all its highest honors obtained, all its purest pleasures enjoyed; yet I repeat it—nothing—nothing will do but wealth. Disappoint a man of this, and he mourns as if the highest end of life were defeated. Strip him of this, and this gone, all is gone. Strip him of this, and I shall point to no unheard of experience, when I say—he had rather die than live!

"The grievous mistake, the mournful evil employed in this oversight of the great spiritual end, which should be sought in all earthly pursuits, is the subject to which I wished to draw your attention in the last place. It is not merely in the haste to be rich, accompanied with the intention to retire from business to a state of luxurious and self-indulgent leisure; it is not merely in the rage for speculation, that the evils of overlooking the moral aim of business are seen; but they sink deep into the heart, in the ordinary walks of regular and daily occupation: dethroning the spiritual nature from its proper place, vitiating the affections, and losing some of the noblest opportunities for virtue, that can be lost on earth.

"The spiritual nature, I say, is dethroned from its proper place, by this substitution of the immediate end, wealth, for the ultimate end, virtue. Who is this being, that labors for nothing but property; with no thought beyond it; with the feeling that nothing will do without it; with the feeling that there are no ends in life that can satisfy him, if that end is not gained? You will not tell me, that it is a being of my own fancy. You have probably

known such; perhaps some of you are such. I have known men of this way of thinking, and men, too, of sense and of amiable temper. Who, then, I ask again, is this being? He is an immortal being; and his views ought to stretch themselves to eternity—ought to seek an ever expanding good. And this being, so immortal in his nature, so infinite in faculties—to what is he looking? To the sublime mountain range, that spreads along the horizon of the world? To the glorious host of glittering stars, the majestic train of night, the infinite regions of heaven? No—his is no upward gaze, no wide vision of the world; to a speck of earthly dust he is looking. He might lift his eye, a philosophic eye, to the magnificence of the universe, for an object; and upon what is it fixed? Upon the mole-hill beneath his feet! That is his end. Every thing is naught, if that is gone. He is an immortal being, I repeat; he may be enrobed in that vesture of light, of virtue, which never shall decay; and he is to live through such ages, that the time shall come when to his eye all the splendors of fortune, of gilded palace and gorgeous equipage, shall be more than the spangle that falls from a royal robe; and yet, in that glittering particle of earthly dust, is his soul absorbed and bound up. I am not saying, *now*, that he is willing to lose his soul for that. This he may do. But I only say now, that he sets his soul upon that, and feels it to be an end so dear, that the irretrievable loss of it, the doom of poverty, is death to him; nay, to his sober and deliberate judgment—for I have known such instances—is worse than death itself! And yet he is an immortal being, I repeat, and he is sent into this world on an errand? What errand? What is the great mission on which the Master of life hath sent him here? To get riches? To amass gold coins, and bank notes? To scrape together a little of the dust of this earth; and then lie down upon it and embrace it, in the indolence of enjoyment, or in the rapture of possession? Is such worldliness possible? Worldliness! Why, it is not worldliness. That should be the quality of being attached to a world—to all that it can give, and not to one thing only that it can give—to fame, to power, to moral power, to influence, to the admiration of the world. Worldliness, methinks, should be something greater than men make it—should stretch itself out to the breadth of the great globe, and not wind itself up like a worm in the web of selfish possession. If I must be worldly, let me have the worldliness of Alexander and not of Cræsus. And wealth too—I had thought it was a means and not an end—an instrument which a noble human being handles, and not a heap of shining dust in which he buries himself; something that a man could drop from his hand, and still be a man—be all that he ever was—and compass all the noble ends that pertain to a human being. What if you be poor? Are you not still a man—Oh! heaven, and mayest be a spirit, and have a universe of spiritual possessions for your treasure. What if you be poor? You may still walk through the world in freedom and in joy. You may still tread the glorious path of virtue. You may still win the bright prize of immortality. You may still achieve purposes on earth, that constitute all the glory of earth—and ends in heaven, that constitute all the glory of heaven! Nay, if such must be the effect of wealth, I would say, let me be poor. I would pray God that I might be poor. Rather, and more wisely ought I, perhaps, to say with Agur, ‘give me neither poverty nor riches; lest I be full and deny thee, and say, who is the Lord? or lest I be poor, and steal, and take the name of my God in vain.’

“The many corrupting and soul-destroying vices engendered in the mind by this lamentable oversight of the spiritual aim in business, deserve a separate and solemn consideration

“ I believe that you will not accuse me of any disposition to press unreasonable charges against men of business. I cannot possibly let the pulpit throw burthens of responsibility, or warnings of danger, on this sphere of life, as if others were not in their measure open to similar admonitions. I come not here to make war upon any particular class. I pray you not to regard this pulpit as holding any relation to you, but that of a faithful and Christian friend ; or as having any interest in the world, connected with business, but your own true interest. Above all things do I deprecate that worldly and most pernicious habit of hearing and approving very good things in the pulpit, and going away and calmly doing very bad things in the world, as if the two had no real connexion—that the habit of listening to the admonitions and rebukes of the pulpit with a sort of demure respect, or with significant glances at your neighbors, and then of going away, commending the doctrine with your lips, to violate it in your lives—as if you said, ‘ well, the pulpit has acted its part, and now we will go and act ours.’ I act no part here. God forbid ; I endeavor to be reasonable and just in what I say here. I take no liberty to be extravagant in this place, because I cannot be answered. I hold myself solemnly bound to say nothing recklessly and for effect. I occupy here no insulated position. I am continually thinking what my hearers will fairly have to say on their part, and striving fairly to meet it. I speak to you simply as one man may speak to another, as soul may speak to its brother soul ; and I solemnly and affectionately say, what I would have you to say to me in a change of place—I say that the pursuits of business are perilous to your virtue.

“ On this subject I cannot, indeed, speak with the language of experience. But I cannot forget that the voice of all moral instruction, in all ages and in all countries, is a voice of warning. I cannot forget that the voice of holy Scripture falls in solemn accents upon the perils attending the pursuit of wealth. How solemn, how strong, how pertinent those accents are, I may not know, but I must not, for that reason, withhold them.

“ ‘ Wo unto you who are rich,’ saith the holy word, ‘ for ye have not received your consolation. Wo unto you who are full, for ye shall hunger.’ Hunger ? What hath wealth to do with hunger. And yet there is a hunger. What is it ? What can it be but the hungering of the soul ; and that is the point which, in this discourse, I press upon your attention. And again it says, ‘ your riches are corrupted ; and your gold and silver is cankered :’ and is it not cankered in the very hearts of those whom wealth has made proud, vain, anxious, and jealous, or self-indulgent, sensual, diseased, and miserable ?—‘ And the rust of them,’ so proceeds the holy text, ‘ shall be a witness against you, and shall eat your flesh as it were fire.’ Ah ? the rust of riches !—not that portion of them that is kept bright in good and holy uses—‘ and the consuming fire’ of the passions which wealth engenders ! No rich man—I lay it down as an axiom of all experience—no rich man is safe, who is not a benevolent man. No rich man is safe, but in the imitation of that benevolent God, who is the possessor and dispenser of all the riches of the universe. What else, mean the miseries of a selfishly luxurious and fashionable life every where ? What mean the sighs that come up from the purlieus, and couches, and most secret haunts, of all splendid and self-indulgent opulence ? Do not tell me that other men are sufferers too. Say not that the poor, and destitute, and forlorn, are miserable also. Ah ! just heaven ! thou hast, in thy mysterious wisdom, appointed to them a lot hard, full hard to bear. Poor houseless wretches ! who ‘ eat the bitter bread of penury, and

drink the baleful cup of misery ;' the winter's wind blows keenly through your 'looped and windowed raggedness ;' your children wander about unshod, unclothed, and unattended ; I wonder not that ye sigh. But why should those who, surrounded with every thing that heart can wish, or imagination conceive—the very crumbs that fall from whose table of prosperity might feed hundreds—why should they sigh amidst their profusion and splendor ? *They have broken the bond that should connect power with usefulness, and opulence with mercy.* That is the reason. They have taken up their treasures, and wandered away into a forbidden world of their own, far from the sympathies of suffering humanity ; and the heavy night dews are descending upon their splendid revels ; and the all-gladdening light of heavenly beneficence is exchanged for the sickly glare of selfish enjoyment ; and happiness, the blessed angel that hovers over generous deeds and heroic virtues, has fled away from that world of false gayety and fashionable exclusion.

" I have, perhaps, wandered a moment from the point before me—the peril of business—though as business is usually aiming at wealth, I may be considered rather as having only pressed that point to some of its ultimate bearings.

" But the peril of business specifically considered ; and I ask, if there is not good grounds for the admonitions on this point, of every moral and holy teacher of every age ? What means, if there is not, that eternal disingenuity of trade, that is ever putting on fair appearances and false pretences—of 'the buyer that says, it is naught, it is naught, but when he has gone his way, then boasteth'—of the seller, who is always exhibiting the best samples, not fair but false samples, of what he has to sell ; of the seller, I say, who, to use the language of another, 'if he is tying up a bundle of quills, will place several in the centre of not half the value of the rest, and thus sends forth a hundred liars, with a fair outside, to proclaim as many falsehoods to the world ?' These practices, alas ! have fallen into the regular course of the business of many. All men expect them ; and therefore, you may say, that nobody is deceived. But deception is intended : else why are these things done ? What if nobody is deceived ? The seller himself is corrupted. He may stand acquitted of dishonesty in the moral code of worldly traffic ; no man may charge him with dishonesty, and yet to himself he is a dishonest man. Did I say that nobody is deceived ! Nay, but somebody is deceived. This man, the seller, is grossly, wofully, deceived. He thinks to make a little profit by his contrivances ; and he is selling by penny-worths the very integrity of his soul. Yes, the pettiest shop where these things are done, may be to the spiritual vision, a place of more than tragic interest. It is the stage on which the great action of life is performed. There stands a man, who in the sharp collisions of daily traffic, might have polished his mind to the bright and beautiful image of truth, who might have put on the noble brow of candor, and cherished the very soul of uprightness. I have known such a man. I have looked into his humble shop. I have seen the mean and soiled articles with which he is dealing. And yet the process of things going on there, was as beautiful, as if it had been done in heaven ! But now, what is this man—the man who always turns up to you the better side of every thing he sells—the man of unceasing contrivances and expedients, his life long, to make things appear better than they are ? Be he the greatest merchant or the poorest huckster, he is a mean, a knavish—and were I not awed by the thoughts of his immortality, I should say—a contemptible creature ; whom nobody that knows him can love, whom nobody can trust, whom nobody can reverence. Not one thing in the

dusty repository of things, great or small, which he deals with, is so vile as he. What is this *thing* then, which is done, or may be done, in the house of traffic? I tell you, though you may have thought not so of it—I tell you that *there*, even *there*, a soul may be lost!—that that very structure, built for the gain of earth, may be the gate of hell! Say not that this fearful appellation should be applied to worse places than that. A man may as certainly corrupt all the integrity and virtue of his soul in a warehouse or a shop, as in a gambling house or a brothel.

“False to himself, then, may a man become, while he is walking through the perilous courses of traffic; false also to his *neighbor*. I cannot dwell much upon this topic; but I will put one question; not for reproach, but for your sober consideration. Must it not render a man extremely liable to be selfish, that he is engaged in pursuits whose immediate and palpable end is his own interest? I wish to draw your attention to this peculiarity of trade. I do not say, that the motives which originally induce a man to enter into this sphere of life, may not be as benevolent as those of any other man; but this is a point which I wish to have considered—that while the learned professions have knowledge for their immediate object, and the artist and the artisan have the perfection of their works as the thing that directly engages their attention, the merchant and the trader have for their immediate object profit. Does not this circumstance greatly expose a man to be selfish? Full well I know that many are not so; that many resist and overcome this influence; but I think that it is to be resisted. And a wise man, who more deeply dreads the taint of inward selfishness, than of outward dishonor, will take care to set up counter influences. And to this end, he should beware how he clenches his hand and closes his heart against the calls of suffering, the dictates of public spirit, and the claims of beneficence. To listen to them is, perhaps, his very salvation.

But the vitiating process of business may not stop with selfishness; it is to be contemplated in still another and higher light. For how possible is it, that a man while engaged in exchanging and diffusing the bounties of heaven, while all countries and climes are pouring their blessing at his feet, while he lawfully deals with not one instrument, in mind or matter, but it was formed and fitted to his use by a beneficent hand—how possible is it that he may forget and forsake the Being who has given him all things! How possible is it that under the very accumulation of his blessings, may be buried all his gratitude and piety—that he may be too busy to pray, too full to be thankful, too much engrossed with the gifts to think of the Giver. The humblest giver expects some thanks; he would think it a lack of ordinary human feeling, in any one, to snatch at his bounties, without casting a look on the bestower; he would gaze in astonishment at such heedless ingratitude and rapacity, and almost doubt whether the creatures he helped could be human. Are they any more human—do they any more deserve the name of men, when the object of such perverse and senseless ingratitude is the Infinite Benefactor? Would we know what aspect it bears before his eye? Once and more than once, hath that Infinite Benefactor spoken. I listen, and tremble as I listen, to that lofty adjuration, with which the sublime prophet hath set forth *His* contemplation of the ingratitude of his creatures. ‘Hear, O heavens, and give ear, O earth! for the Lord hath spoken; I have nourished and brought up children, and they have rebelled against me. The ox knoweth his owner, and the ass his master’s crib; but Israel doth not know; my people do not consider.’ Sad and grievous error even in the eye of reason! Great

default even to nature's religion ! But art thou a Christian man—what law shall acquit thee, if that heavy charge lies at thy door—at the door of thy warehouse—at the door of thy dwelling. Beware, lest thou forget God in his mercies ! the Giver in his gift ! lest the light be gone from thy prosperity, and prayer from thy heart, and the love of thy neighbor from the labors of thy calling, and the hope of heaven from the abundance of thine earthly estate.

“ But not with words of warning—ever painful to use, and not always profitable—would I now dismiss you from the house of God. I would not close this discourse, in which I may seem to have pressed heavily on the evils to which business exposes those who are engaged in it, without holding up distinctly to view the great moral aim on which it is my main purpose to insist, and attempting to show its excellence.

“ There is such a nobleness of character in the right course, that it is to that point I would last direct your attention. The aspirings of youth, the ambition of manhood, could receive no loftier moral direction than may be found in the sphere of business. The school of trade, with all its dangers, may be made one of the noblest schools of virtue in the world ; and it is of some importance to say it :—because those who regard it as a sphere only of selfish interests and sordid calculations, are certain to win no lofty moral prizes in that school. There can be nothing more fatal to elevation of character in any sphere, whether it be of business or society, than to speak habitually of that sphere as given over to low aims and pursuits. If business is constantly spoken of as contracting the mind and corrupting the heart ; if the pursuit of property is universally satirized as selfish and grasping ; too many who engage in it will think of nothing but of adopting the character and the course so pointed out. Many causes have contributed, without doubt, to establish that disparaging estimate of business—the spirit of feudal aristocracies, the pride of learning, the tone of literature, and the faults of business itself.

“ I say, therefore, that there is no being in the world for whom I feel a higher moral respect and admiration, than for the upright man of business ; no, not for the philanthropist, the missionary, or the martyr. I feel that I could more easily be a martyr, than a man of that lofty moral uprightness. And let me say yet more distinctly, that it is not for the generous man, that I feel this kind of respect—that seems to me a lower quality—a mere impulse, compared with the lofty virtue I speak of. It is not for the man who distributes extensive charities, who bestows magnificent donations. That may be all very well—I speak not to disparage it—I wish there were more of it ; and yet it may all consist with a want of the true, lofty, unbending uprightness. That is not the man, then, of whom I speak ; but it is he who stands, amid all the swaying interests and perilous exigencies of trade, firm, calm, disinterested, and upright. It is the man, who can see another man's interests just as clearly as his own. It is the man whose mind his own advantage does not blind nor cloud for an instant ; who could sit a judge, upon a question between himself and his neighbor, just as safely, as the purest magistrate upon the bench of justice. Ah ! how much richer than ermine, how far nobler than the train of magisterial authority, how more awful than the guarded bench of majesty, is that simple, magnanimous, and majestic truth. Yes, it is the man who is true—true to himself, to his neighbor, and to his God—true to the right—true to his conscience—and who feels, that the slightest suggestion of that conscience, is more to him than the chance of acquiring an hundred estates.”

ART. III.—LEISURE—ITS USES AND ABUSES.*

THE subject announced for discussion this evening, promises little novelty of thought or learned research, and may in the judgment of some savour too strongly of the lecturer's profession. But it has been chosen in the belief, that an audience, like the present, composed of persons distinguished for zeal in the acquirement of sound knowledge, would prefer practical, though familiar truths, to flights of fancy or pedantic display; and that they never would have invited one to address them, who, without a name for science or general literature, could only have been known to them as a preacher of morals, if they had wished him entirely to forget his office in complying with their request.

Leisure strictly signifies unoccupied time. A man of leisure is one who has nothing to do, a condition supposed to be honorable in those countries where false forms of society make the many the servants of the few; but happily not in our own, where the greatest good of the whole number is the glorious aim of an intelligent democracy. Here, the laborer is honorable, the idler infamous. We tolerate no drones in our hive, and every one, who would share in its sweets, must contribute to the general happiness. Indeed, a man among us must either be content to be busy, or content to be alone, like the truant school boy, who found no one idle but himself, and was glad to get back to school for the sake of company; or, like the solitary goose of Patrick O'Rooney,† be full of fun, and nothing to play with. So may it ever be. The sweat-drops on the brow of honest toil are more precious than the jewels of a ducal coronet, and the pen of a ready writer, the tools of the artisan, and the axe of the backwoodsman, are weapons of a nobler chivalry than ever couched the lance or wielded the sword.

In this nice sense of the term, we can have no leisure; for the truly virtuous and faithful will find occupation for every moment. Living in a world of so many wants, and with an immortality before us so full of reward, we can never lack an opportunity of doing good to others and profiting ourselves. But every man who pursues a regular calling, however closely he may devote himself to business, will have certain intervals of relief from his more pressing engagements. These constitute that leisure of which I would speak.

During a recent visit to the United States mint, I observed in the gold room, that a rack was placed over the floor for us to tread upon; and on inquiring its purpose, I was answered, that it was to prevent the visitor from carrying away with the dust of his feet the minute particles of precious metal, which despite of the utmost care would fall upon the floor, when the rougher edges of the bars were filed; and that the sweepings of the building saved thousands of dollars in the year. How much more precious the most minute fragments of time! and yet how often are they trodden upon like dust by thoughtlessness and folly? The necessity of labor was doubtless intended for our salutary discipline, yet it is a most painful consideration, that so much of life's brief time is lost upon physical wants and momentary gratifications. To say nothing of our useless infancy, the long years of preparation for ac-

* A Lecture delivered before the New York Mercantile Library Association, in March, 1839, by Rev. George W. Bethune, D. D.

† Immortalized by Miss Edgeworth.

tive life, daily demands for sleep and food and social decencies, what makes up the business of the world? Ascend by day some eminence from which you can look down on this populous city, what busy crowds are hurrying to and fro—what a hum of anxious voices, what a clamor of incessant toil. Here a long train of flying cars are drawn along the level way; there, many a freighted vessel spreads her white canvass to the breeze, seeking distant continents, or folds her weary wings as she glides to her rest; below, the reluctant beast drags his heavy load; stately warehouses rise thick on every hand, and countless shops display their glittering wares; while marble palaces, with pillared fronts and thronged ascents, demand the admiring eye. What is the cause of all this struggle? What mighty end thus makes man and beast and element subservient. It is a vain attempt to answer the insatiable craving of the human heart, "what shall we eat, what shall we drink, and wherewithal shall we be clothed?" With rare exceptions, mere living is the business of life, and mind the slave of the body's occasions—star-eyed science is invoked only to swell the profits of business by her money making or money saving inventions; dear poesy flings aside the noblest lyre that ever woke echoes of freedom in American bosoms, to go into

———The Cotton Trade
And Sugar Line,———

while religion is allowed to tell vulgar rogues, that they must not steal, nor pull down flour stores, nor riot at elections; but is frowned back to her altars as an impudent intermeddler with things beyond her sphere, if she dare to speak of the mysteries of stock-jobbing, excesses of credit, or bubbles of speculation—and as for conscience, since the notable discovery that corporations have no souls, her scruples are silenced by an act of assembly. Surely mind, spiritual, immortal mind, was made for better uses; and when I think of the spacious shelves laden with well worn books, the crowded lecture hall, the munificent founders, and see before me the intelligent countenances of those who are the active members of the Mercantile Library Association, I am well assured that all is not lost, nor is the city wholly given to idolatry.

I have meant no disrespect for the city of New York. I have spoken of it only as part of the busy world. Disrespect for New York? It is my birth place, the home of my youth, and the asylum of my earliest affections. Grown it is indeed, almost out of my knowledge; and when I come to visit it, it seems strange yet familiar, as a vigorous young man in a long coat, whom one knew first a growing boy in a round-about jacket. I once went far away in a foreign land, picked up a New York paper, and read an advertisement of building lots in hundred and forty-second street; and on another page, an article on bringing the Croton River to New York. What folly! I thought to myself. Bring the Croton River to New York? let them wait a few years longer, and at this rate New York will go to Croton River. There must have been some mistake, however, for on my return the only inhabitant I found near that spot was a hermit poor, a fat and greasy citizen who croaked unconscious defiance of land tax and water rents.

Dear New York? Few of you, young men, remember it as I do, when we ran down the Flattenberg on our little sleighs, or skated on Lispenard's meadows and Burr's pond, and thought Leonard street "up town." But cross in a summer's day to Weehawken, and climb the hill above the spot where the monument used to stand, till

"Your foot is on the verge of the cliff, and you can hear
The low dash of the wave with startled ear,"

And then look forth upon the bay, and you will see it unchanged.

“ Tall spire, and glittering roof, and battlement,
And banners floating in the sunny air,
And white sails on the calm blue waters bent,
Green isle, and circling shore, are blended there
In wild reality—when life is old,
And many a scene forgot, the heart will hold
Its memory of this; now, lives there one,
Whose infant breath was drawn, or boyhood's days
Of happiness were passed beneath that sun,
That in his manhood's prime can calmly gaze
Upon that bay, or on that mountain stand,
Nor feel the prouder of his native land.”

I said I meant no disrespect for New York, neither did I for merchants. My father was a merchant of New York, and dear to his son, above most things in this life, is the reputation he won in the walks of commerce, and by the application of its gains, for unsullied integrity and noble benevolence. It is beyond the power of thought to estimate the blessings which God has conferred upon the world by the influence of commerce and commercial men. The history of modern civilization and modern liberty is indented with the history of commerce. The first dawnings of rational freedom were in the commercial republics of Venice and Genoa; though spoiled by success, and depraved by luxury, their merchant-princes became tyrants, and then slaves. But scarcely later in the Lower Netherlands, the merchant cities of those brave Saxons and Frisons, who preferred to wring from the sea an asylum for freedom, rather than submit to Roman conquest or Frank oppression, with thoughts as free as the ocean breeze which wafted their freighted barks, first taught the world the lesson of constitutional government, and the strength of confederated rights; first proclaimed that the right of government was not in the hereditary noble, but *in man*; and insisted upon the admission of every man, even the humblest, to freedom, though they reserved the honor of citizenship as a reward of integrity and industry. From the free cities of Flanders, from among their merchants and tradesmen, arose the first men of the people that dared to take power by the throat, and bind the hands of tyranny by the cords of reason; and since that day, true civil liberty, I mean that which secures alike the happiness of the whole people, most abounds where commerce is the most active and the most free. In our own happy land, we have brought those lessons of equality, confederation, and self government, nearest to perfection; but we have yet more to learn. Unhallowed is that pride and insolence of wealth, which would make the political rights of the poor and rich unequal, for then would the fate of Venice and Genoa be ours. Unhallowed is that fanaticism, which, from partial prejudices or selfish interests, would strain the cords of our union to disruption, for then the chaotic dance of atoms would be repeated in the concussion of civil wars, and final confusion of rights and liberties; but, though perhaps I may differ from some who hear me, I must be permitted to add, as the wish of one humble but sincere patriot, happy will that day be, when trade shall be free as the spirit of the constitution, every shackle taken from her wings, and, after a just tax paid for the support and protection of government, duties be demanded from none, nor privileges granted to any, that are not granted to all; when every man shall be justified in pursuing whatever honest occupation he pleases, and trade when he pleases, and in what he pleases, be it goods or be it money, and there be acknowledged no right or power in any hands to restrain the honest uses of capital, to endanger or distract

the common currency, to exact from the consumer an artificial price, or to deprive the producer of his just rewards. Only let commerce be free, and the sinews of commerce, agriculture and manufactures, be free, and we need not fear for the freedom of the world. They are young giants that need no swaddling bands—growing oaks, that ask no hot-house care.

Nor should it be forgotten, that we owe to commerce the discovery of once unknown continents, and that but for her, we should never have gloried in the name of Americans. It is commerce which makes the luxuries of each land common to all; brings the spices of the tropics to enrich the dainties of our winter festivals, cheers us in the morning with the sober berry's juice, and refreshes us in the evening with the cup that cheers, but not inebriates, mingled and blessed by the fair hands of those we love. The hordes of India, the serfs of Russia, the paupers of Britain, toil, at her command, for us.

There are also in the stern ethics and the fearless confidence of enlarged commerce, some of the finest exhibitions of lofty humanity and generous truth. "It might tempt one," says an admirable author, "to be proud of his species, when he looks upon the faith reposed in a merchant by a distant correspondent, who, without one other hold of him than his honor, confides to him the wealth of a whole flotilla, and sleeps in the confidence that it is safe. It is indeed an animating thought, amid the gloom of a world's depravity, when we behold the credit which one man puts in another, though separated by seas and by continents; when he fixes the anchor of a sure and steady dependence on the reputed faith of one whom he never saw; when with all his fear for the treachery of the various elements through which his property must pass, he knows, that should it arrive at the door of his agent, his fears and his suspicions may be at an end. We know nothing finer than such an act of homage from one being to another, when perhaps the diameter of the globe is between them; nor do we think that either the renown of her victories, or the wisdom of her counsels, so signalizes the country in which we live, as do the honorable dealings of her merchants, or the awarded confidence of those men, of all tribes and colours and languages, who look to our agency for the faithfulness of all management, and to our keeping for the most inviolable of all custody." Thus Chalmers wrote of the merchants of his country; but we may adopt his language for our own. It was indeed said across the water, that "the Yankee nation, from General Jackson to a shoe black, was a fraudulent bankrupt;" but the intelligent and candid Mr. Cowell, the agent of the bank of England, and one of the most liberal minded and observing strangers that ever visited our shores, has declared that out of debts of at least fifteen millions, all but some fourteen or fifteen hundred of dollars is safe, and that ultimately so. A tolerable dividend for a bankrupt's estate!

And when we remember the mutual anguish, the desolated hopes, the universal gloom of the crisis, through which we passed, the toil that was endured, the sacrifices that were made, and the unavoidable confusion that reigned, the world must admit that the American merchant will not yield his honor while his sinews obey his will, or a gasp of life remains.

Yet giving to commerce all its due, the life of an intelligent being should have far higher ends than those the pursuits of business can immediately promise. If immediately beyond the grave be not all a dream, it will be to those who are prepared to enter it, an immortality of mind and affection, where the grosser influences of the body, its low necessities and animal pleasures, which demand so much of present care and toil and time, shall be unknown

for ever. There we shall neither plough, nor weave, nor buy, nor sell. There the miserable arithmetic of dollars and cents shall have no place. Knowledge shall be the desire and pursuit of the soul, and holy love employ the willing activity of all its powers. It must be, then, that as life is but the season of preparation for immortality, the right pursuit of knowledge, and cultivation of the heart, are the true methods of making life profitable. Religion teaches this from every page of the inspired volume. The end of her regeneration is to quicken within us a nobler life than fallen nature gives us—to make the soul conqueror of the body, which has revolted from its rule and held it in chains. The end of her faith is by the manifestation of spiritual and eternal treasures, to win our heart from the pursuit of those objects of sense which perish in the using, and the end of her morality the practice of that holy affection, though in the lower forms of which only we now are capable, that shall be the occupation of eternity. “Ye are not of the world, but I have chosen ye out of the world,” is the language of him who “brought life and immortality to light” by the Gospel, to all who through him “look for glory and honor.”

But they greatly mistake the spirit of Christianity, who make it to consist in mystical abstractions and formal ceremonies. All knowledge and all seeming morality, without the love of God, and faith in Christ, will be insufficient to prepare us for the ordeal of the judgment, and admission to the skies. The kingdom of God must first be re-established in the heart; yet when that kingdom is acknowledged and that faith professed, every advance in true knowledge, and every application of knowledge to true usefulness, is an additional preparation for our spiritual immortality. True science is the knowledge of things in their causes; and the knowledge of the Great First Cause is the end and height of science. But He, who has caused the holy scriptures to be “written for our learning” of Him, has also given us His book of Nature, and every demonstration of science should be regarded by us as a step of that ladder, by which the student of earth may ascend towards the presence of God in heaven. It is this which gives to science its dignity and value. Its only worthy subject should be lasting as the soul itself, enduring when the minerals, the animals, the vegetables, and the elements, into the nature of which philosophy now inquires, shall pass away and be no more, but the soul survive. The name of philosophy has been abused, and men have accounted themselves philosophers while studying the habits of an insect’s life, classifying the refuse shells which ocean casts upon its shores, discovering the properties of stones and plants, searching and comparing the anatomy of animal frames, or endeavoring (for after all, metaphysical science is but an endeavor) to analyze the powers of the human mind, while the idea of the great Author has scarcely entered their minds, and they have taken not one step toward communion with him. Mere worldly utility, the passing mental pleasure of investigation, or the fame of new discoveries, are the perishing and grovelling aims of such philosophy, falsely so called. The true end of science is above all these. It is the elevation of the soul above earth, the spiritualizing of the heart from the influences of mere sense, and the education of immortal man for that eternal converse with his God face to face, “where he shall know and be known, even as he is known.” To terminate science in that which is merely immediately useful, to count its worth merely by its sordid gains, is to make reason no better than instinct of a wider range, and the faculties of the soul servants to the senses. When death comes, when in the final catastrophe all these

things shall pass away, such science will appear to have been but a laborious folly, and such philosophy the idle vagaries of an idiot's dream. This is no religious cant, no prejudiced fanaticism of a narrow-minded preacher. It has been the theory of a just philosophy in all ages. Permit me to quote the testimony of Cicero, the best ethical writer of the ancients, the noblest scholar of the school of Socrates; and in the glowing translation of one who has proved, by a recent address before a learned society, that he has not studied him in vain, (I refer to Professor Taylor Lewis, and his discourse before the Phi Beta Kappa of Union College,) "He that knows himself will know that he has within him something divine, as it were a shrine and image of the Deity, consecrated and devoted to him. Thus taught to believe, he will act worthy of so great a gift; and when he hath thoroughly understood for what end he hath been brought upon the theatre of life, when he beholds in the principles of things every where shadowed forth images of everlasting ideas; when thus prepared, he turns to the study of nature, the land, the seas, the origin of all things, from whence they came, to what ends they conduce, what in the system of things is mortal and perishing, what is divine and eternal; when in the study of these, he learns to regard himself, not as surrounded by the walls of one city, but as an inhabitant of the universe: in this magnificence of things, this comprehending view and recognition of universal nature, how will he then know himself? how will he condemn, how will he look down upon, how will he count as nothing, those things which are commonly esteemed the greatest or most useful among mankind?" and yet, asks the indignant reprover of a base utilitarianism, who has exhibited higher practical energy than Cicero?

Can any one doubt that the science of Newton, the peerless prince of all investigators of God's lessons in nature, accompanied with the most child-like faith, and lowly following of the Redeemer, increased his fitness for that sphere to which the God with whom he had so long walked, took him at death? and if so, does Newton, now before the throne of the Lamb that was slain, estimate the value of that science for its usefulness in navigation, or the convenience of calculating eclipses, or any temporary end? No, if it be not forgotten by him among the meridian brightness of heaven's intellectual and loving joys, he accounts it to have been precious only so far as it assisted him, and may assist others, in preparing, by expansive thought and lofty pursuits, for the soul's true home, a heaven of perfect happiness, because a heaven of perfect knowledge and perfect love.

Commerce, then, or any pursuit which is usually called business, is unworthy of being considered the proper occupation of life. It is only necessary to provide or to procure the means of living. The time devoted to it should be considered as a tax upon our immortal being, laid upon us by the necessities of that curse which sin brought with it into our world. If so, the *leisure* which the necessities of business allow, becomes incalculably more precious, as being the only season when we can devote ourselves mainly and exclusively to the great end of our being. For though there is no honest pursuit of life in which we may not serve God and our fellow men, no man is fitted for the practice of virtue merely by practice; he must in hours of rest study its theory, contemplate its ends, and intelligently gird himself for the toil.

If there be one here, (though I am sure there is not,) who has no higher ambition than to be a mere man of business, a mere slave of men's bodily necessities, a mere idolater of his own purse; to have his life but a thing of

cotton bags and tobacco hogsheads, druggets and dowlasses, madder and fustic, town lots, bank stocks, and exchanges; his mind like the advertising side of a daily gazette, or the weekly prices current. the sum of his life, the balance sheet of his ledger, and who estimates his worth by the dollars and cents which remain to his credit, who would choose for his immortality one eternal Wall street, and give up a crown of glory to be called the best man upon "change" — if there be such an one, he may despise those moments of leisure which business spares, waste them in sinful sleep, lounge them away in vapid amusements, dawdle over ephemeral magazines, or newspaper reports of police causes and shocking accidents, squabble in the low arena of party politics, exhaust his breath in blowing up every bubble of popular excitement, lisp idle gallantries in ladies ears, who in their soul despise such emptiness, and but tolerate the fool as they do a pet dog or a parrot, for want of better company; or perhaps do worse, in vulgar debaucheries. He may despise leisure and so waste it, but he must take the consequences in this world and the next. A mere merchant! a mere man of business! Who would be content with such a designation? what respect can one feel for such a character? All he gets from the world is the credit of being worth so much dross, a little fawning servility from those who wish to borrow of him or owe him already, or the wondering calculation of how much his heirs will divide among them when he leaves his wealth behind him with his rotting body. Were I such a man, I would wish my name to die with me, and would ask neither marble nor granite, nor the venal page, to preserve the memory of my sordid selfishness. Let it perish like the thistle cut down by the mower's scythe, or the dry mullen that decays on the barren hill side.

But there is a true grandeur, which though we cannot reach, we must admire and may emulate, in him who devotes the energies of a well stored mind to the pursuit of commerce, that the fruits of noble enterprise may enable him to follow the bent of his disposition in the spread of knowledge, and the liberalities of a wide philanthropy; who can shake off the meaner jealousies of trade with the dust of his warehouse; who leaves behind him the idolatries of covetousness well pleased to enter the populous solitude of his library and hold communion with the mighty dead, to join the social circle and brighten the glow of cheerful but rational converse by the warmth of his own intelligence, or to mingle with the evening crowd, who meet to devise and prosecute new plans for doing good to his countrymen and the world; whose walls are adorned with works of native art, acquired by a price which has cheered the child of genius in his low enthusiasm; at whose table and hearthstone the scholar and the man of science is a welcome and delighted guest, and whom religion claims as her consistent and beneficent follower. Like a noble tree, whose roots are struck deep in the fruitful earth, he stands in a gigantic strength, his higher arms aspiring to heaven, while the poor, the sorrowful, and the friendless, find shelter and food beneath the shadow of his wide branches. There are such men, such merchants, such men of business—rare indeed, but yet some. I need not quote the names of the dead. There are men now living, living among you. For their sakes let commerce be vindicated. Their charity will cover a multitude of its sins, and their honorable fidelity redeem a city from destruction, though it were a Sodom or Gomorrah. Let such men be your examples, they are the beacon lights which at once warn you of the dangers in your course, and guide you to the sure haven of a self-approving peace and eternal joy.

The *first rule* I would then give for the use of leisure as not abusing it, is to

SET BEFORE YOURSELVES PURE AND NOBLE AIMS.

Let the pursuit of gain be your necessity; the pursuit of knowledge and virtue, and religion, your delight and your reward. Regard successful labors in business as only valuable because they supply you with means of prosecuting your lofty ends.

Avoid the degrading error of a mere personal ambition; ambition is a healthful stimulant, when duly mingled with benevolence towards man and piety towards God—but when all its struggles, and pains, and toils, terminate in self, it is but selfishness. To acquire money merely to say it is your own, to spread feasts for flattering parasites, to fling open gorgeously decorated halls, that well dressed crowds may admire and envy, or to roll in sumptuous equipages that the vulgar pedestrians, spattered by the wheels, may gape and wonder, is but one remove from miserly meanness, which starves the stomach to fatten the purse. The industrious artisan reaps his profits from the prices of extravagance, but the bosom of the pompous purse-proud fool can receive no merited delight from a result his heart never proposed. In the same light are we to regard an ostentation of benevolence to the poor, patronage to the arts, or assistance to science or literature. The acclamations of the crowd, the newspaper eulogium, the servile dedication, or the columns of a charity report, (the more than brazen trumpet of modern Pharisaism,) can yield the hypocrite no genuine pleasure. Conscience, whose honest rebuke no bribe can hush, no applauses drown, no rhetoric deceive, points to a frowning God, whose eyes pierce the intents of the rotten heart, and declares, “verily thou hast thy reward,” and the wretch confesses in his secret thought, “this also is vanity.”

Scarcely better is the pursuit of literary or scientific distinction for its own sake. It most frequently defeats itself. Eagerness of new discoveries, anxiety to lead in some path, impatience for the acquisition of fame, proud unwillingness to submit to others’ teaching, all lead to the adoption of startling but crude hypotheses, oversight of true facts, and neglect of careful induction, glaring extravagance, or quaint affectation of style; and the pretender, after strutting a brief hour in fancied greatness, is hissed from the stage to a deserved but more infamous oblivion than he would have avoided. Though even before such a catastrophe, envy of other men’s success may have disfigured his semblance of mind, or an insisting egotism covetous of praise, but unwilling to acquire it except by demands, roused the furies of public scorn to “lash him naked through the world.”

Love knowledge for herself, love honor for its own blessed consciousness, love religion as the messenger-angel to conduct you to your God, and charity as her attendant handmaid, who scatters flowers over the arid sands of human experience, and they will so reward you, that ambition itself shall say, “It is enough.”

Let me repeat a caution I have before hinted. Estimate not the value of results by their immediate usefulness; this would be to centre all in the present moment, or at least in the present life. Good is rarely great which can be accomplished at once. Indeed, all that can be seen in this life, bears but a mean proportion to the profits of eternity. We must adventure our whole capital, and be willing to lose its present interest, if we would find the treasure increased an hundred fold in heaven.

“Man soweth here with toil and care,
But the harvest time of love is there.”

There is a joy in study in the calm hour of seclusion, where we are alone,

and yet not alone, for the Father of light is with us—a joy that no stranger intermeddled with, which

———“An age outweighs
Of stupid starers and of loud huzzas.”———

There is a joy in worth,* the consciousness of self command, of high purposes, of a free conscience, and an approving God, which no applauses of the world can equal, and no injustice of the world can take away.

There is a joy in religion, a calm intercourse is opened with heaven; and the hope of its immortal blessedness stimulates us to pursue the often rugged path of present duty, and solaces the pangs of present sorrow.

Be content, even if you can gain nothing more, with the education of your spirit, by the cultivation of your mind and the cultivation of your heart, for that sphere where God designs it shall have its largest expansion and highest bliss.

The second rule I would suggest for the right cultivation of leisure is,

A COURAGEOUS BELIEF THAT MUCH LIES WITHIN YOUR CAPABILITIES.

The time was, when knowledge and its precious fruits were, like power, the birthright of the few, and when the scanty and high priced scrolls, upon which the slow pen of the transcriber had recorded the words of wisdom, could be bought only by those who were under the necessity of no other toil. Blessed be God! this is no longer the case. Knowledge is as common to all who desire to enjoy her life-giving virtues, as the air we breathe and the water which we drink. Literature, and even science, have been known to flourish best with those who have been born to few advantages, and have not made it their sole profession. Indeed, there seems to be often an almost fantastic incongruity between the favorite and most successful studies of some men, and their declared pursuits. The best ethical writer of Great Britain in the present time is Abercrombie, who closes a day of immense toil in medical practice with happy meditations upon metaphysical

* The following noble lines, written by my esteemed and accomplished friend, Judge Conrad, of Philadelphia, are subjoined, in the sure belief that they will give pleasure to all who read them.

G. W. B.

There is a joy in worth,
A high mysterious soul pervading charm,
Which, never daunted, ever bright and warm,
Mocks at the idle shadowy ills of earth,
Amid the gloom is bright, and placid in the storm.

It asks, it needs no aid—
It makes the strong and lofty soul its throne,
There in its self-created heaven alone,
No fear to shake, no mem'ry to upbraid,
It sits a lesser God, life, life is all its own.

The stoic was not wrong—
There is no evil to the virtuous brave,
Or in the battle strife, or on the wave,
Worshipped or scorned, alone, or in the throng—
He is himself alone, not earth's or fortune's slave.

Power, and wealth, and fame,
Are but as reeds upon life's troubled tide—
Give me but these, a spirit tempest tried,
A brow unshrinking, and a soul of flame,
The joy of conscious worth its courage and its pride.

themes; while not a few of these most eminent in the same kingdom for physical science, are thoroughly educated theologians. Drew, the admirable author of treatises upon the resurrection, the immortality of the soul, and kindred subjects, was a working shoemaker, who first essayed to pursue physical science, but abandoned the attempt from the want of money to purchase apparatus, and time to make experiments, and devoted himself to subjects which he could analyze within the laboratory of his own brain, and investigate while he sat upon his bench and drew the waxen thread. The writer of *Elia*, the late Charles Lamb, earned (to use an illustration of a brother lecturer in another city) his peculiar reputation during three and thirty years of service as a merchant's clerk, "chained," as he feelingly expressed it, "to the desk's dull wood," and this in a narrow lane of smoky, drizzling, ever sombre London. Rogers, the author of the *Pleasures of Memory*, is still a banker. Roscoe, it is well known, was engaged either in legal or commercial pursuits, while he wrote the lives of the two Medici. He was, it is true, as Washington Irving has told us in the *Sketch Book*, unfortunate in business, but it was from other causes than incapacity for business, or neglect of it.

Speaking of Washington Irving, reminds me, by the way, that I was told by a mere man of business in Liverpool, that he knew my countryman, Mr. Irving, while he was attempting commercial pursuits in that city; but, said he, with a dolorous shake of the head, which showed what was uppermost in his estimation, "he did'nt get on, sir, he did'nt get on." Thank God! he did'nt get on.

Indeed, men of leisure, as they are termed, are rarely known to attain greatness. Their time is frittered away in trifles, resolutions, and procrastinations. They lack the habit of industry which occupation teaches, and are exposed to a thousand temptations men of business never know, the force of sluggishness being the worst of all. The stagnant pool will become muddy and foul, and perhaps mischievous to the health of its neighborhood; but the rapid stream runs sparkling and clear, and having turned the mill which grinds the bread, may water the meadows with their thousand flowers, and wash the wing of many a joyous bride as he carols in his sport.

It is, therefore, a great mistake, that literature or intellectual pursuits of any kind must be attached to what is termed professional life. Governor Everett, in a recent speech, which you have all probably read, gives an account of a working blacksmith, who had acquired a knowledge of fifty languages in his hours of leisure. (Without knowing more of that industrious person, I would hardly recommend his example in all things, for though my suspicions may be unfounded, I cannot help thinking that some of that time had been better spent in acquiring the knowledge a few of those languages contained, than in learning the grammars and vocabularies of the rest.) Sir William Jones had acquired more than thirty, (including dialects of India,) though he died in his forty-ninth year, was chained to the bench at least eight hours a day for a long period, and yet left behind him, besides some valuable writings, including a volume of delightful lyric poetry, the product of *the leisure hours of his leisure*. Calvin, Luther, and John Wesley, were all very voluminous writers, and upon profound subjects, although when we remember the incessant journeyings and labors they went through, it is difficult to imagine how they found time to preserve even the chain of friendly correspondence.

Let no man say, then, he has no time, and no opportunities for study, be-

cause he is a man of business. I wish in my heart that young men, who toil in the drudgery of mercantile pursuits for the gains of others, had more time allowed them by arrangements upon the part of their employers. It is a sad tyranny that exacts so large a portion of their daily time, to say nothing of extraordinary but not unfrequent engagements. Yet no young man need despair of accomplishing much, if he have the courageous confidence to attempt much, and persevere. It is better, incomparably better, to accomplish something, than idly to endeavor after nothing.

This brings me to a third rule for the redemption of leisure,

A CAREFUL ECONOMY IN THE DISPOSITION OF IT.

When we regard our fragments of time separately, they seem indeed small, and offer little encouragement to think much can be done with them; but, when we add them together, their aggregate may be very precious. Like the particles of gold dust, to which I alluded in an early part of this lecture, each may be almost beneath estimation; yet as that gold dust, thrown together into the crucible, forms the bar from which many a coin is made, so our leisure economically gathered and applied, will supply us with current and sterling thoughts, which we may employ in enriching others, while we enrich ourselves.

Abandon the habit of procrastination—postpone no valuable purpose to a more convenient season, nor idly dream, as some have done, that when the busy toil of years has won the reward of competence, you will then have free scope and opportunity for higher engagements. Youth is the only season for the formation of intellectual habit. The sinews of the mind, like those of the body, soon become stiff and unpliant. It would be as easy for the leopard to change his spots, or the Ethiopian his skin, as for one who had spent the greater part of his life in entire idolatry of business, to lay aside his inveterate taste, tendencies, and customs, for the calm retirement, and inward satisfactions, and self sustaining pleasures of study and thought. There are few more pitiable characters, than theirs, who, without any qualification for a profitable employment of leisure, have in an evil hour given up business by which they have realized sufficient fortunes, in the vain hope of enjoying freedom from its laborious exactions. The toils and anxieties which they would put away, have become necessary to their existence. The vacant hours hang heavy on their hands, and their heart is in the bustling world from which they profess to have retired. For a few weeks they may be missed from their accustomed haunts, but it is soon to re-appear like uneasy spirits amidst the scenes of former life, lounging in their insurance offices and bank parlors, meditating prices when they have nothing to sell, eagerly engaging in the business gossip of the day, wondering why the expected packet does not arrive, though its arrival promises them neither consignments nor remittances, and finding no solace for the widowhood of their hearts from their first and only love, but in shaving notes, speculating in stocks, and bidding at land sales; and like

“ The phantom knight, his glory fled,
Who mourns the field he heaped with dead,
Mounts the wild blast that sweeps amain;
Or chief whose antique crownlet long,
Still sparkled in the feudal song,
Now, from the mountains misty throne,
Sees in the thralldom once his own,

His ashes undistinguished lie,
His place, his power, his memory, die."

So they linger sorrowfully among those who once acknowledged their power and skill, but now thrust them aside as bores and troublers of busier men; or, like the Ghouls of eastern fable, though dead themselves, can yet suck the life-blood of the living by usurious exactions.

If you would enjoy intellectual pleasures after the necessities of other toil has ceased, you must prepare for it by the assiduous cultivation of your previous leisure.

Energetic industry in the use of the few moments of leisure we may have, is necessary to economy of time.

It is a well known fact, that when the powers of the mind are intensely given to any matter, more may be accomplished in a few hours, than a sluggish indifference will reach in many days. Much pains and practice are necessary to acquire sufficient mastery over our faculties, to give them this directness and intensity of application, yet where there is generous enthusiasm for the attainment of worthy ends, by pains and practice it may be secured; and as a man of business, the moment he enters his office in the morning, and breathes its air, can, almost without an effort, shut out every thing but business from his thoughts, so will the intellectual aspirant learn to assume all the spirit of the student the moment he opens his books or takes up his pen. With what ease does the physician pass from the anxieties of one sick room to those of another, or the lawyer turn the force of his talents to one case after another, or the merchant settle in the course of a single day the risks and probabilities of many operations. It requires little more habit and effort to change the occupation of the mind from business to study, and study again to business. The mind needs relief it is true, but the best relief is not entire relaxation, but alternation of pursuit; entire rest, except when the body needs the repose of slumber is the worst torture of an active spirit.

But industry will avail us little without *system*. Our plan must be intelligently decided upon, and then steadily pursued. The swiftest runner attains the goal by successive steps, and though each interval of leisure may not be sufficient to make much progress, we may pursue as long as it lasts the right direction, and resume it when another interval occurs. This steady perseverance, which is compatible only with system, will in the end accomplish more than the most violent spasmodic efforts, disconnected from each other from the want of a plan. There is on record the instance of a studious man, who, finding that he was called to his dinner every day a few minutes before it was ready, devoted those few minutes to the writing of a work, which in the process of time swelled to some goodly volumes; a striking hint to us to save the minutes, that hours be not lost; for though it may seem a mere truism, it is often forgotten, that an hour a day is fifteen days in a year, and in twenty-four years, a year.

Be not then vacillating in your purposes. Let not every bright meteor that shoots across your path, attract you to new aims. This would be to make your life but as whirling sands borne about by every fickle wind. Few men are great or useful in many pursuits of different nature, for though we do read of the "admirable Crichton," who was skilled in every known accomplishment, language, art, and science, he has left behind him no valuable proofs that he was useful in any thing; and we have a common saying, that a man of many trades is good at none. Be not satisfied with doing any thing till you have done it well, and then you will have at least the satisfaction of having done nothing ill.

These rules being acknowledged to be just, there is little need of stating formally another, *to devote our leisure to such occupation as is the most valuable.*

If our leisure is to be industrious, our industry should be so directed as to secure the greatest profit. There is a choice in reading. I will not enter into any argument to prove the mischievous character of romantic and fictitious writings. Fables are often instructive. Our Saviour taught much in parables; and as a scholar and a lover of books, I would be sorry to burn the "Pilgrim's Progress." True pictures of the human heart, and exhibitions of safe and moral practice, are often found in the supposed life and adventures of imaginary characters. Good poetry is but a higher order of metaphysics and moral teaching. But I put it to your own judgment, whether the reading of fiction generally is the most valuable use a man of little leisure can make of his little time. One, whose sole pursuit is of an intellectual character, may have some faint excuse for thus unbending his overstrained mind, which must be seduced, as it were, from the fever of thought; but for him who has but a few hours in the day or week, to follow highwaymen and fops, with Bulwer, through low crimes and silly affectations, or revel in imagination amidst gorgeous scenes of foreign and aristocratic fashion, as described in the volumes of trash the modern press vomits upon our shores, is madness in the extreme. It is the sure way to unfit him for the actual world in which he lives, and his duties lie.

Newspapers are also sad thieves of time. I speak in no disparagement of the many able gentlemen who cater for our daily tastes; the fault is rather in their readers, upon whose favors they live. But, ordinarily, the columns of our daily prints contain little that is worthy of perusal by a man inquiring after valuable knowledge. Distorted political statements, squabbles between rival editors, beginning in wit and ending often in low abuse, accounts of shocking accidents, and police reports of vulgar crimes, sometimes (alas!) prurient scandal, and mawkish attempts at sentiment, make up the sum of their morning and evening offerings. It is often boasted that we have in this country such a vast number of daily and other newspapers. Their number is rather a curse than a blessing. Condense the scattered talents of the many into a few; make by such aggregation of patronage as would place those few above all casual necessities, and make intelligent editors recipients of such rewards as their talents deserve; allow a rational freedom to the press, and not establish a separate journal for the advocacy of every shade of opinion, or pettishly insist that your newspapers shall be but babbling echoes of your own prejudices; and the daily and weekly journals will become worth our reading, and the best minds will contribute to their resources. As it is, newspapers (if we guard not against them) become dangerous seductions. I knew a gentleman of learning and talents, who confessed that he became so interested in a newspaper dispute between two silly and illiterate tailors, that he missed his amusement when the miserable correspondence ceased; and I acknowledge for myself, that no matter how I may be pressed with important engagements, I always seize the morning and evening papers with eagerness, and never lay them down without a sigh.

Few of our magazines are better worth our attention. They are, for the most part, a poor patch-work, a tinsel mosaic of superficial learning, crude novelties, abortive wit, pointless tales, splenetic or fulsome reviews, and half hatched rhymes. Honorable exceptions there are, but they are too few and too well known to need any impertinent distinctions from me.

For the same reasons, I would give my testimony against the compends, and abridgments, and synopses, and epitomes, with which this boasting but superficial age abounds. If you admire skeletons without flesh, blood, or beauty, choose them; but if you would woo truth, in her living, breathing, perfect loveliness, search for her in full treatises and complete demonstrations. The first will make you pedantic sciolists, the last, true philosophers.

Society you must have. It is necessary to the social wants of the heart, and the society of intelligent persons will often teach more and in a more pleasant manner than books. Of society you may have your choice. Waste not then your time with the silly, who will never receive nor give profit. The truly good and intelligent are ever ready to meet the advances of the modest, the virtuous, and inquiring. In the atmosphere which they breathe, you will always find health and delight; but as "evil communications corrupt good manners," so ignorant and idle communications corrupt good sense.

No society is more profitable, because none more refining and provocative of virtue, than that of refined and sensible women. God enshrined peculiar goodness in the form of woman, that her beauty might win, her gentle voice invite, and the desire of her favor persuade men's sterner souls to leave the paths of sinful strife for the ways of pleasantness and peace. But when woman falls from her blest eminence, and sinks the guardian and the cherisher of pure and rational enjoyments into the vain coquette, and flattered idolater of idle fashion, she is unworthy of an honorable man's love, or a sensible man's admiration. Beauty is then but at best

———"A pretty play-thing,
Dear deceit."——

I honor the chivalrous deference which is paid in our land to women. It proves that our men know how to respect virtue and pure affection, and that our women are worthy of such respect. Yet woman should be something more than mere woman to win us to their society. To be our companions, they should be fitted to be our friends; to rule our hearts, they should be deserving the approbation of our minds. There are many such, and that there are not more, is rather the fault of our sex than their own; and despite all the unmanly scandals that have been thrown upon them in prose or verse, they would rather share in the rational conversation of men of sense, than listen to the silly compliments of fools; and a man dishonours them as well as disgraces himself, when he seeks their circle for idle pastime, and not for the improvement of his mind and the elevation of his heart.

I should be unworthy of my office, were I to conclude this effort to serve you, without especially commending you to the teachings and communings of the God of Nature and the Bible. Make God your friend, clothe yourself with his ever presence, bathe yourselves in the waters of his truth. In the Scriptures you will find the purest morals, the safest maxims of practical wisdom, the most faithful pictures of the human heart, and the finest examples of moral heroism. There are the most faithful of histories, poetry the most sublime, and pathos the most tender. The whole range of literature cannot vie with that one volume in ministering to true intellectual taste and assisting mental growth. But, my friends, these are the least reasons for its study. It is the lamp which our Heavenly Father offers to our hands, that we may trace the way that leads through the darkness of this life to the region of eternal light and joy. It tells us of ONE who so loved the world as to come from heaven to earth, that we might learn to ascend from earth to hea-

ven: who, while he sanctified himself to be our Saviour, from the guilt of our sin, brought all the beauty and strength of divinity to adorn his example of a perfect man; and now, from the far heaven of his reward, yet regards with a brother's eye, and assists by Almighty strength, every sincere soul that seeks to tread in his footsteps and trusts in his grace. He will be your friend if you are his. As my parting counsel, let me then entreat that you allow no day to pass without spending some due portion of time in meditating on the sacred word, and asking the blessed intercession of Jesus, the Son of God. He that can find no leisure for this, must make strange estimates; for "what," I ask you as men of business to make the calculation, "WHAT IS A MAN PROFITED IF HE GAIN THE WHOLE WORLD AND LOSE HIS OWN SOUL."

ART. IV.—"COMMERCE AND PROTECTION."

To the Editor of the Merchants' Magazine:

I FIND in a late Charleston Mercury an article which purports to have appeared originally in the *Democratic Review* at Washington, in replication to mine in an early number of the Merchants' Magazine. As the logic of this criticism, review, or whatever it may be termed, appears to me considerably less than irresistible, I am again induced to trespass on your patience and that of the readers of the Magazine.

My antagonist, with a liberality and courtesy quite characteristic of the "free trade" school of political economists, commences by hinting his "surprise" that such an article as mine, or any advocating protection, should have been suffered to appear in a mercantile magazine, and proceeds to complain of my "want of logical acumen and legitimate deduction," and with magisterial nod decides that my article is "better fitted for the arena of a debating society than for the pages of a philosophical journal." He is welcome to his manners. I did not contemplate any thing more than a simple recapitulation of the heads of argument in favor of protection, leaving the outline to be filled up by the reader's own reflections. But with what grace is a want of "logical acumen" complained of by a reviewer, who opens his argument as follows: "it would, at the outset, appear that the object of the article is merely a defence of the tariff as a means of raising revenue." *Seems* so, does it? To whom? To the critic, we must presume; but it can hardly have seemed so to any one else, when "Commerce and *Protection*" was the title of my essay, and every paragraph of it was aimed directly at this point—that judicious *Protecting* Duties, do not operate injuriously on the interests of commerce. But again: in the next paragraph, my reviewer asserts that silks, wines, and some other luxuries, are admitted free of duty, while cottons, which are worn principally by the poorer classes, are charged twenty-five per cent.; and proceeds to exclaim "thus the poverty of the poor is disproportionately taxed, while the abundance of the rich is comparatively untouched." This is a specimen of the "logical acumen" of a writer, who eschews *my* remarks as calculated "for the declamatory arena of a debating society." Because *under our present tariff*—which is a Compromise and not a Protective one, and was last modified by a Congress hostile to Protection—silks are admitted free of duty, (while I wish they were taxed fifty per cent.,) and cottons charged twenty-five per cent., the infer-

ence—nay, the evidence—is resistless, that Protecting Duties essentially and necessarily favor the rich at the expense of the poor! Admirable logic!

My reviewer next accuses me of “begging the question,” in assuming that Protective Legislation may stimulate the great producing interests of a country to a higher activity. In his view, this is the very gist of the question. I am quite content to have it so, but without admitting that I begged this point in my former article. Let me now adduce some illustrative examples: we all know that certain bounties are paid by our government to our citizens engaged in the cod and mackerel fisheries; will my opponent contend that no more fish are caught than there would be if no bounty were given? Again: until very recently, Maine was principally a timber-cutting and commercial state; her bread-stuffs being in great part purchased from abroad. In 1836 (I believe) her Legislature enacted that a bounty should be paid thereafter to the producers of wheat within her territory. Under the operation of that act, in the course of two or three years, the annual production of wheat in Maine has been quadrupled. Now my opponent will not deny that this act is clearly a protective one, and directly in the teeth of the “Free Trade” principles which Maine has ever professed to cherish. It is an instance of the plainest and least equivocal kind of Protection. There can be no denying the fact, that the amount of wheat produced has vastly increased under the operation of that act—that in all human probability the act was the impelling cause, in great part, of the increase. So far, we can hardly differ. My opponent, then, has no chance of escape from the natural conclusion, but through the presumption that the skill and labor employed in the production of the wheat, has been diverted from some other equally profitable employment—that therefore Maine has gained nothing by her Protective policy. But is this presumption justified by fact? Will any man seriously contend that if Maine had not raised the two millions of bushels extra of wheat during the last three years, she would necessarily have produced something in its stead, of equal, or greater value? I trust not.

Take another illustration—that of silk. We now import this article to the value of some twenty millions per annum. Suppose that, instead of admitting it free of duty, (which my reviewer strangely instances as a feature of protection,) we could, by imposing a duty of fifty cents per pound on the raw material, and one dollar on its manufactures, ensure a domestic production of the whole amount required within five years—does any man believe that such production would necessarily cause a reduction, to an equal or greater amount, of the other productions of the country? I cannot. I think the annual increase of the national wealth thereby ensured, would be at least ten millions.

But let us hear the reviewer again:

“It is stated that our manufacturers compete successfully with Europeans in the South American and Chinese markets, but that, if they were unprotected at home, they would be unable to do so. The fact in the first part of the sentence we admit; the correctness of the assumption at its conclusion we unequivocally deny.

“If we successfully compete with European manufactures in foreign markets, it is because we can produce goods, and carry them to market, as cheaply as our competitors: and, in this case, we must inevitably cut them out of the home market entirely, and can therefore require no protection.”

Now here is one of those instances of reasoning from plausible but mistaken theory, rather than fact, on which the entire “Free Trade” system is

founded. Nothing can look fairer than the above logic to those whose whole acquaintance with the matter is purely theoretical; and yet it is directly in the face of every day's experience. Let me illustrate: England and America are competitors in supplying the world with cotton fabrics; each has brought its machinery for manufacturing them to great perfection; each can produce them at about an equal cost—we will say, an ordinary fabric for six cents a yard. Each sells largely to other nations. But by some means, England finds herself with a heavy excess of manufactured goods on hand—say twenty millions' worth. What shall she do? To throw them on the market at home, or where she usually sells, is to create a glut, and depress prices—perhaps permanently; this will not answer. There is a scheme worth two of it: ship them to New York; rattle them off under the auctioneer's hammer—perhaps for three fourths of their intrinsic value. But what of this? The home market and the foreign market have both been preserved intact, while her rivals in the manufacture have been embarrassed and crippled by the depression and derangement of *their* home market. But can we not retaliate? Not we. England *preaches* Free Trade for foreign consumption; she is too wise to adopt it as the basis of her own policy. My opponent's assertion that "Free Trade principles" are acted on in England, because there is a considerable, but very decided *minority*, averse to the corn laws, &c., &c., will carry conviction to none but minds of extraordinary "logical acumen." What she would do under other circumstances, I do not assume to judge; what she *does* I think I understand—and it is at least as far from "Free Trade" as any theory ever advocated in this country.

A striking exemplification of the inherent fallacy of "Free Trade logic," is afforded by my reviewer. In one paragraph which I have quoted, he distinctly admits the fact that our manufacturers [of cottons especially] rival those of England in the open markets of the world, and therefore, that those goods are produced and sold here as cheaply as in Great Britain. But in another paragraph he lights upon the fact that foreign cottons are charged twenty-five per cent. by our existing tariff; and he straightway assumes that they must be twenty-five per cent. dearer here than in England, and that the "poorer classes" of this country pay a tax of twenty-five per cent. on their cottons for the benefit of the manufacturer! Need I add a word of comment?

But my opponent holds that "individuals understand their own business better than legislatures, and that consequently, if uninfluenced by legislative interference, they will direct their labor and capital into the most profitable channel"—and this idea he deems so pertinent and forcible, that he repeats it under several variations of phraseology.

Now, if we were proposing for the first time in the world's history to establish Protective laws, there might be as much soundness as smartness in this well-turned sentence. Its fatal error, however, lies in the mistaken assumption, that if *we* eschewed Protection, our producing interests would never be affected by "legislative interference." It were just as rational in an individual to fancy that he had no need of the protection of any laws at all—if he let other men's property and persons alone, they would certainly do no less by his. The whole theory of Free Trade partakes of the child's fancy, that, when his eyes are shut, nobody can see him.—But my reviewer has a paragraph on this subject; let us consider it:

"It has been sometimes urged that it will be impolitic to remove our restrictions, so long as other nations continue theirs. We must however con-

fess that we cannot see the policy of suffering 'another man's folly to be master over our wit.' If other countries choose to pursue a course of policy hurtful to themselves, is there any reason why we should follow in their footsteps, for the sake of reciprocating an injury."

Now leaving the critic to "beg the question," that this course of policy in other nations is "hurtful to themselves," we will furnish a parallel to his logic. Let us suppose some of the "Non-Resistent" theorists, who hold all war to be sinful and destructive, were to lecture him on the policy of disbanding our army and militia, destroying all fire-arms, ordnance, fortifications, and military stores, and presenting our naked breasts to any invader—at the same time that Britain was menacing hostility, and overshadowing our frontier with her troops—what would be his idea of the project? Would he not be tempted to say, "Sir, your logic may be very good in an abstract, general sense; but you must first convert our neighbors to your doctrines, before you can bring us to act as though all the world were of your way of thinking." "Nonsense!" says the Non-Resistent; "why should another man's folly be master over our wit?" If other countries choose to pursue a course of policy hurtful to themselves, is there any reason why we should follow in their footsteps for the sake of reciprocating an injury?" This is the logic of many visionary theorists, who revel in a world of their own creation; is it consistent with plain, practical common sense? My reviewer, in another place, remarks:

"The distress of the years 1825 and 1836 is, with the most obvious inconsistency, charged to the operation of free trade principles. Not the shadow of a reason is adduced in favor of this view, but, like the other notions, (we cannot designate them by the name of arguments,) it rests upon assumption. That the distress of those years can be clearly traced to the circumstance of our having, and acting upon, a false standard of value, we are, at the proper time, prepared to demonstrate, if need be."

Now, my "notion," which of course "does not deserve the name of argument," is this—that if we had had an efficient Protective Tariff, from the close of the last war down to the present time, we should have imported far less of the cloths, cutlery, and other manufactures of Great Britain, than we have done; that, not importing them, we should not have had them to pay for, nor been in debt for them; and, of course, that no pressure, convulsion, suspension, or other disasters growing out of a heavy indebtedness to foreign nations, and a demand for its liquidation, would have occurred. I believe that there is an abundance of facts extant, to show that I have here hinted at the one true source of our difficulties, and the appropriate remedy. As to the "false standard of value," I shall of course await the demonstration which my reviewer has threatened. But let us hear Sir Oracle once more:

"We have stated that protecting duties, instead of stimulating production, restrict it—or, in other words, that a country acting upon the principles of free trade, other circumstances being the same, will produce a greater amount of wealth than a country following a restrictive policy."

Now, that he has "stated" this, is true; but that there is a single fact in the world's history, which tends to justify his assertion, I seriously doubt. Where is the country of twenty millions, "acting upon the principles of Free Trade," which produces so great an amount of wealth as Great Britain? Would she produce so much grain as now if there were no corn laws? as much cloths if the fabrics of all the world were admitted to her ports free of duty?—so much wealth, in short, if all the world were allowed to compete with her on equal

terms for the supply of her own markets? I cannot begin to believe it. My reviewer denies point blank that the effect of Free Trade would be to reduce the wages of labor; says the contrary assumption "is almost too shallow to require exposure"—that "we have shown [asserted] that a greater amount of wealth would be produced, with a given expenditure of labor and capital, under the Free Trade system, than under the restrictive"—and at length triumphantly asks, "But what is the condition of the laboring classes in the European countries which have so long enjoyed the blessings of Protection?" I answer, that I am ready now to proceed to a comparison of the wages and condition of laborers in those countries, with those of the nations which eschew Protection the world over. If the wages of laborers are not higher in the former, then I have misread grossly. But I will consider this point more fully in connexion with another paragraph of my antagonist's, which is the only remaining one in which I find any thing especially requiring notice, and which, as covering very plausibly the disputed ground, I shall consider more at length. The paragraph is as follows:

"On what ground, then, is a protecting duty required for any article? On the ground that we can import it more cheaply than it is produced at home?—which means that, with the same outlay of labor and capital which is required to produce the article at home, we can produce a greater amount of other commodities than is required in exchange for it: consequently, a course of liberal policy would enable us to obtain the article by a smaller expenditure of capital and labor, leaving the remainder to be employed in adding to our wealth in some other way."

Now, I shall not accuse my reviewer of any unfairness in this statement, but I do contend that he has taken a very superficial and mistaken view of the subject. "We should buy where we can buy cheapest,"—the old adage,—is the substance of his argument. Very well; but should we buy where the *fewest dollars* will pay, or where the smallest amount of the property we have to offer will be taken in exchange? The latter undoubtedly. We may buy for ten millions in one part of the world, and for twelve millions in another, and yet the latter be the cheapest purchase, by reason of the different valuations of the property given in exchange. To illustrate this point fully, I will state a case, made up of facts of almost literal occurrence, and the principles of which, I with deference suggest, cover the whole ground of this important controversy. It is as follows:

The township of Londonderry, New Hampshire, is almost exclusively an agricultural one, and has been from its settlement. The large and busy manufacturing city of Lowell, Massachusetts, has grown up near it, within a few years, and is its present market. Now we will suppose Londonderry to purchase her cloths of Lowell—say 8,000 yards at an average of five dollars per yard—and to pay for them in her products as follows:

1,000 cords of wood per annum at \$5	\$5,000
10,000 bushels of charcoal at 10 cts.	1,000
10,000 " corn at \$1	10,000
30,000 " potatoes at 50 cts.	15,000
Cabbages, and other vegetables	9,000

Total, \$40,000

Thus an active trade is carried on between the agricultural and manufacturing communities, to their mutual advantage; but at length new counsels prevail. The good people of Londonderry are keen for "buying where

they can buy cheapest," and unite in effecting the entire overthrow of the protecting duties, (and my antagonist frankly avows his hostility to *any* tariff whatever.) The tariff is demolished; the revenue is raised by direct taxation; and my Londonderry friends obtain their broadcloths direct from Manchester, at four and a half, or we will say four dollars a yard. This is a handsome saving, certainly. But, cheap as they are, the cloths must still be paid for; and at length the Londonderry farmers set about it. They muster their products; but they now find that the old market is destroyed. Other people have been as keen as they in buying where they could buy cheapest, and the Lowell manufacturers, unable to manufacture cloth at so low a cash price as their British rivals, while their labor, fuel, &c., &c., cost them double, have given over, failed, run down. The manufactories are empty, idle, and going to decay; their inmates have emigrated to Wisconsin, or scattered over the country to find some other employment. This is not the case with Lowell alone, but all similar places. The wood, which formerly brought five dollars, will now hardly command two dollars; corn brings fifty cents, and potatoes are dull at twenty-five. In short, while they have bought this year's supply of cloths nominally twenty per cent. cheaper than last year, they find that the very same amount of property which then paid for the whole, will not now pay for half. They are unable to satisfy their indebtedness; their products will hardly command money at any price; land falls rapidly and ruinously; the sheriffs and lawyers are set to work, and half the property of the township passes under the hammer. The agents or intermediates of the British manufacturers buy part of it; a few misers who have seen and prepared for the storm take the rest; and the ousted occupants follow the late population of Lowell to Iowa or Texas. The free trade principle of "buying where we can buy cheapest," has been run out to its natural termination.

This is no ideal sketch. It is substantially what the whole North experienced, from beginning to end, in 1816-20. That we may be wiser than to enact so ruinous a folly again, is the earnest hope of your correspondent,
H. G.

MERCANTILE LAW.

Art. V.—POPULAR SUGGESTIONS ON THE PRINCIPLES OF THE LAW OF GUARANTY AND SURETYSHIP.*

* WISDOM is not more shown in the choice of a proper end than in the selection of proper means. And in this choice of means, certainty in their results is an essential merit. Commerce, in all her plans, is constantly aiming, often in vain, after this certainty. Does the ship sail to sea:—the merchant counterbalances the uncertainties of her voyage by insurance, and thus secures himself against the rage of the uncertain ocean and its unruly tempests. Nay, more: by insurance of the profits of his voyage, he con-

* This Lecture is the fourth and last of Mr. Lord's admirable series, read before the Mercantile Library Association of New York, which have been originally published in the pages of our Magazine. The subjects are treated with a method, fidelity, and minuteness, so characteristic of the accomplished author, and will be found to embrace a mass of valuable information, peculiarly interesting and important to all business men.

verts the very storms and dangers of the deep into the means of increasing wealth. Thus protected, he lays his plans for the supply of foreign countries, or provides for the wants of his own, with entire coolness and system, and increases his private wealth by diffusing general advantages. In like manner, when his richly laden ship is returned, and her burthen is to be distributed among another class of merchants, certainty again is to be sought in the final returns of his adventure. It must be sold. And here again he has to struggle with uncertainties still greater than those of the fickle ocean. He is now subject to the misfortunes of life upon society at large;—to the risks of insolvency and bad faith, instead of the dangers of the elements. Again does he struggle for some degree of certainty. If he knows the integrity and prudence of him with whom he would deal, or has knowledge of his responsibility, he is willing to trust on his unsustained promises. But he cannot have this knowledge of all. Some will be strangers: some, though known, will be young, of unproved characters: some, of doubtful circumstances, some of questioned integrity. Here it is plain his dealings cannot go forward, unless this uncertainty of payment can be overcome. For as he cannot judge of the unknown circumstances of men, or of their secret purposes of honesty or fraud, the merchant cannot with any exactness compute his risk of loss. And without the knowledge to fix the degree of risk, he cannot reasonably compensate it by a correspondent enhancement of price. The advantage of both parties now becomes obviously promoted if a third person can be found who knows the purchaser so well as to be willing to engage for him, and is so well known to the seller as that the latter will feel secure in his promise. The traffic can then, by aid of this new support, go forward. This new promise intervening, is a suretyship or guaranty.

In other cases, also, of reposing trust, in persons either unknown or not fully confided in, or where the amount of responsibility is too large to admit of a simple confidence in one man's fidelity, a surety is called in, to give to the contemplated transaction the necessary element of certainty.

Suretyship, therefore, implies a want of confidence in the party to be trusted by him who is to trust; and a full confidence by the surety in him for whose conduct he engages, and for whom he solicits credit. These are the natural principles on which the contract of suretyship reposes, and they are to be constantly borne in mind in considering its consequences.

A suretyship, then, is that engagement, by which one man stipulates for the acts of another, who is dealing for his own benefit. The parties are always three: the *debtor*, called also the principal, or principal debtor; the *creditor*, and the *surety*. These terms are used in their most extensive sense; meaning by creditor *him* who reposes the trust or confidence, and by debtor *him* who is primarily bound, whether to pay a debt or perform a duty, and who is trusted for his own account.

Our plan is, I., to consider the mode in which the surety enters into the obligation. II. The extent of the obligation. III. The creditor's duty towards the surety. IV. The exoneration of the surety. V. The fulfilment of the surety's contract. VI. The surety's rights against the debtor.

Sometimes the surety unites with the debtor in a joint obligation, and this is the most convenient form for the creditor. By this the parties binding themselves, both place themselves in the position of debtors; and although as between the debtor and the surety all the principles of suretyship apply, yet as between them and the creditor, for many purposes, they

both stand as principal debtors. They are both bound in the same manner to do the act stipulated. Under this form of contract, the creditor is bound to give notice to the surety of the debtor's default; and he can immediately, and in the same legal proceeding, have his remedy against both the parties.

Another form which this engagement assumes is, that of a separate contract by the surety, stipulating in terms that the debtor shall do the act in question. Here the suretyship stands manifested upon the face of the obligation; here, except where the stipulation by the surety is express to the contrary, notice must be given of the debtor's default before the surety can be called on: and the enforcing of the obligation against the debtor and the surety must be by two independent proceedings; and that against the surety must be adopted with great care, and proceeded in with the utmost caution. This form of the contract, while equally obligatory with a joint obligation, has some disadvantages in point of convenience to the creditor, and some advantages to the surety.

Suretyship is sometimes entered into by the endorsement of a promissory note; it then becomes subject, as to the creditor, who knows the character of the endorsement, not only to the principles of the law of suretyship, but also to the principles regulating promissory notes. The engagement, although an endorsement, must nevertheless be founded, by the principles of suretyship, upon proper consideration of value or advantage, and it must be pursued by the creditor with that active diligence to demand payment and to notify dishonor, which belong to the law of negotiable paper. Although this is one of the most common, it is for these reasons not the most eligible forms of suretyship. But it has one advantage to the creditor, which no other form of this contract has, in being capable of being negotiable before its maturity, and thus of forming part of the creditor's active capital.

A guaranty is often found in an express contract or memorandum, whereby for some motive or consideration expressed, (the significance of which the law is to approve,) the debt of another is expressly stipulated for, and its payment agreed for: sometimes it grows out of the mode of dealing between the creditor and his correspondents, who, for a certain agreed compensation, engage to make good the performance of the contracts of certain debtors; as agents for sales, with guaranty commission. Sometimes it grows out of letters, by which trust is solicited for one, and which, when he becomes debtor, imposes the obligation of surety upon the writer, as in letters of credit. In whatever form the suretyship arises, it requires the usual circumstances legally requisite to create an obligation, and it also carries with it certain principles peculiar to itself.

The general principle of contracts most necessary to be here noticed, is, that it must be upon a sufficient consideration, a principle common to all contracts not under seal. The law does not regard the *mere* promise of any man as a ground for proceeding against him, unless that promise has had its origin in some advantage to the party promising, or some disadvantage to the party taking the promise. A promise by me to deliver goods, or to render services, or to incur a risk, for which promise I have received nothing, and in consequence of which, no other person has parted with or done any thing, is left by the law to the obligations of feeling or conscience alone; the law deals with property and for property's sake; and if no property, no valuable right or advantage, has been acquired by the party promising in consideration of his doing so, or if none has been parted with by him to whom

the promise is made in reliance on it, the law pays no regard to such promise. It deals not with mere sentiments nor with abstract principles of morals; it looks only to those dealings between men in their intercourse of traffic which change their condition as to property or labor, and then only does it step in as the arbiter of right and the avenger of wrongs.

Without further examination of what forms a consideration giving a legal sanction to contracts at large, we will notice the circumstances applicable to the contract of suretyship.

1. If the surety's promises be made *before* the creditor trusts the debtor, it is requisite that the creditor give trust *upon the faith* of the surety's promise, or the latter is not binding. Here the consideration of the surety's promise is the creditor's parting with his property; the subject is one within the law's domain, and it will enforce the obligation. Letters of credit are suretyship of this sort: these suretyships all derive their force from the creditor's acting upon the request they contain; they do not become contracts until they are acted upon by the crediting party; if the credit be given first, and the letter of credit is afterwards presented, it is of no effect. Suretyships of this nature require, that the creditor, trusting upon faith of them, should with reasonable diligence inform the surety that he has acted upon his promise, that the surety may know when, and to whom, and to what extent, he is bound, and that he may be able to watch over the debtor for whom he engages, and in season demand such counter securities as may be useful to him. This notice of acting upon the promise ought never to be omitted by the creditor: and although it is not very generally understood among merchants that this is essential to the validity of such guaranty, and although all the circumstances under which it must be given, have not been accurately settled among lawyers, yet no promise or guaranty for a future credit can be safely relied on, unless a reasonable communication be made by the creditor to the surety of the trust he has given; and the many useful purposes which this notice answers, and the frequent hardships of the surety's condition, renders it likely, that the more this subject shall be considered and discussed, the more strictly and generally will this requirement be enforced.

2. Sometimes the surety's promise is made after the credit has been given, and without any new inducement. It is then wholly nugatory: no matter in what express words it has been made, nor what the nearness of relation between the parties, nor what the fulness of proof of the promise, it is not binding: nothing has been done on the faith of it; the credit had already been given; and the promise is regarded as one of those essays of heedless good nature with which the law has no concern.

But this position has an exception: where the credit is given at the surety's request, but without a promise at the time to assume the debt; then, although he did not promise before, nor at the time the credit was given—yet if he expressly promises afterwards, he is liable: the inducement to the credit was the act of the surety, and the law will take notice of his promise to satisfy the debt thus created at his request: the previous request and subsequent promise are regarded as growing out of the same motives, and as indivisible parts of one transaction.

3. But where the creditor has varied his condition in some manner, in reliance on this new promise of the surety, as if the creditor stipulated with the surety to give the debtor a longer time to pay, or to forbear some remedy or security which he the creditor might adopt, or to give up part of the debt, or if the creditor doubting his debtor's security, give a premium in

money, or in any advantages, to the surety, and the latter, in consideration of any of these things, stipulates for payment of the antecedent debt, or for some past obligations of the debtor, the promise then becomes an available guaranty. It is to be remembered, however, that there must be this new consideration, or the whole promise is idle; and this new consideration, too, must be a matter definite in itself, and must actually alter the property or legal rights of the creditor.

4. When the promise of the surety is not before nor after, but at the time of the trust given by the creditor, then it is valid, on the principle that the creditor was influenced by and acted on the promise of both the debtor and surety, to part with his property, or alter his condition. The promise of the surety has had effect in creating a bargain, and it must stand as a legal obligation.

It is essential, therefore, to a valid contract of suretyship, that the surety's promises have been acted on by the creditor, so as to change the latter's condition; and also, that in prospective suretyships, notice be given by the surety of the credit.

5. Where, however, the contract of the surety is under his hand and seal, the above principles as to the necessity of a consideration do not apply: the sealing is considered by the law as conclusive evidence that a proper consideration has passed between the parties; and this presumption can only be defeated by showing fraud in obtaining the contract, either in its inducement or its mode of execution. This circumstance would give to sealed guaranties a great advantage in mercantile use: but on the other hand, as a sealed instrument comes within the inner recesses of the law's technicalities, as it requires great accuracy in the statement of the parties and in the precise terms of the obligation, and is a formal matter, repulsive from its very formality, it is not greatly in use, nor could it be much recommended as an ordinary practice to merchants.

Besides the consideration required to give validity to a contract of suretyship, the law requires absolutely, that it be *in writing, and signed by the surety*. The agreement to answer for the debt, duty, or default of another, must, by force of despotic statute law, be in writing; and by agreement is meant, not only the stipulation or thing promised to be done, but the consideration or legal motive that induces the promise. And this requirement of writing does not apply merely to promises over a certain amount, (as in some other cases,) but to all promises of suretyship, however small in amount. The object of making writing an essential, is not merely to furnish evidence of the terms of the contract, nor is it simply a rule of evidence: it is a rule of policy: the contract is void if not signed by the surety, although it may have been written down in his presence, acknowledged by him, and seen and heard by a score of witnesses. The law requires, as the only and exclusive proof of his assent, his signature to the writing. This is founded upon the uncertainty of testimony and its unfaithfulness; upon the frequency with which conversations of recommendation might be distorted; upon the danger of combinations between an unprincipled creditor, and needy and ignorant or wicked dependents, to turn a bad debt upon the debtor's friend, when the latter could not resort to any actual circumstances capable of independent proof for his protection, to show the promise sworn upon him either unfounded or improbable. It stands upon the danger of fraud and perjury in relation to such engagements, and is exclusive of all oaths of verbal communications. The guaranty, therefore, must be in writing; no

circumstance of proof nor excuse will supply this desideratum; and the writing must contain both the promise, and the ground or consideration on which it is founded.

But there are cases, where a party has received property or other valuable consideration, and has thereupon made a promise to apply it to the debt of some other person: these are not treated as suretyships or promises for the debt or default of another: the debt or duty is in fact that of the very party promising, founded upon his own reception of the consideration of value, and it is equally his debt, whether he accounts for it to the debtor or person from whom he received the consideration, or to their creditors: it is his own debt, and the circumstance that it is to be paid to one who happens to be the creditor of another, and that the payment is to extinguish that debt, does not destroy the original obligation on the party himself. Such a contract, although to the creditor it has the effect of a guaranty, yet to the debtor it is the simple obligation of his own debt or liability.

To illustrate this: In a promise to pay one's debt, if the creditor will forbear for a time, this forbearance, although of actual damage to the creditor, could not have its value assessed, nor form the ground of any independent or implied obligation; it can only afford ground for an express promise on his part, an obligation to do what he may expressly undertake and specify. But if he receive from the debtor or his friends property to a certain extent, to be accounted for, this would, from the nature of the thing, create a debt of itself; and it would be no less, although he should have to account for it to those who are creditors of the debtor.

The guaranty of sales made by factors and commission merchants generally, is of this sort. The factor receives property for sale, with an understanding to him whose property it is, to sell it only to such persons as he will answer for: this is a direct obligation upon him, then, before he sells at all: it needs not therefore any writing; he is only stipulating for his own conduct. When he does sell, he is already under a liability which the sale consummates, but does not satisfy or discharge. Although this mode of responsibility does not require a writing by the party bound, yet as he does become bound to his principal for the debts contracted by those to whom he sells, he has all the privileges of a surety as to any interference by the principal with those debts.

Only one other particular as to the form of this contract will be noticed, and that is this: the *promise* of guaranty must be absolutely perfect. A mere offer to guaranty, or saying that if such a one should wish to purchase, you should be willing to guaranty, are not to be relied on. There must be an actual promise to be responsible, a present assumption, not looking to a farther act or circumstance on the surety's part: and as the contract of suretyship is one never extended beyond the clearest meaning of its express terms, great care should always be used that the words of a guaranty, relied on, be a direct and explicit promise, and not a mere declaration of any confidence or intentions, however favorable to the debtor.

Supposing now the contract of suretyship formally made, either by bond under seal, or by a writing signed and expressing the consideration on which it is made, we next have to determine its extent, its meaning, its application to the debtor's contract.

In determining all these things, a strict construction is to be applied: that is, the words are to extend no farther than they literally and clearly express; nor even to the extent of their literal meaning, unless within the obvious pur-

pose of the party. The contract, as was observed preliminarily, is founded on distrust of the debtor, or person seeking to be trusted : it is a contract burdensome to the surety, that is, generally involving an obligation without benefit to the surety, or with a benefit very small in comparison with his liability. Now this distrust on the part of the creditor is not to be presumed beyond what he has in terms stated : nor is the surety to be presumed to extend his liability, thus gratuitous, or scantily compensated, beyond what he also has explicitly declared. Besides, the law considers suretyship a contract for the benefit of the weak and the needy, and therefore deserving favor ; and it is therefore jealous of having any greater extent given to it than that to which the parties most plainly have agreed. A guaranty, therefore, for goods to be sold, could not, by any agreement between the debtor and creditor, be made to apply to an old debt ; a guaranty for an old debt, could not be applied to goods to be sold. One for goods to be sold, could not be applied to money to be lent, or credit furnished, with which goods may be purchased by the debtor himself. In this case it may be asked, where is the difference between furnishing goods, or money to the same extent with which goods are purchased, the amount being the same and the result the same : the answer is, that it is not the very thing the surety has chosen to stipulate for : perhaps he might have stipulated for this, but he has not : he might also have refused from mere caprice to so stipulate, and as he was under no obligation to become surety, he has a right to put himself upon caprice, if he had pleased by it to justify a refusal. Besides, it is not always as safe to put money or a credit into a person's hands as goods : there are temptations to improper use in ready money and ready credit, of which the more cumbrous and inconvertible condition of goods is free ; at all events, the surety is entitled to judge of this before he is bound, and he can on no principle be supposed to have left it to others to infer, how far he *might* go in good nature or in sporting a hazard, by coming into a suretyship.

So, too, a guaranty to one person for goods, will not cover a sale affected by another on the faith of that guaranty, even if he to whom the guaranty is made, should assume a liability for such a purchase. Here, too, the matter guarantied, and the matter done, seem to be entire equivalents. But the surety does not commit himself to equivalents. He has a right to say to him to whom the guaranty is made, I trusted to your fairness as to your sales, your prices, and quality of goods : I wished to have the debtor begin a dealing with you : I desired that you, and not your neighbor, should receive the benefit of the sale : I intended to stand in relation of a party bound to you only, and not to you as a mere representative of another, and bound to act on his dictation. And whether any such consideration would be true or not, yet the surety has a full right to say, true or not, you, creditor, had no right to consider what I would do : look you only to what I have done.

Again, a suretyship to a co-partnership, does not protect the dealings with that firm, after it has assumed a new partner or left out an old one. The guaranty of a debt to A., B., & C., is not one of a debt to A. & B., nor of one to A., B., C., & D. ; the debt is different, and the terms of the guaranty, therefore, do not identically apply. Besides, the partner who went out may have been a cautious man, or one in whom the surety had confidence : the partner who has come in, may be the reverse. By the partners embraced within the words of the guaranty, the credit may have been niggardly given, ungraciously and uninvitingly offered, and therefore less freely used—all to the benefit of the surety's actual liabilities. These things might have been rea-

sons weighty in the eyes of the surety : but whether so or not, he alone is to judge, and to say, whether having bound himself to a certain thing, or to certain persons, he would therefore bind himself to another thing or other persons, however similar.

This doctrine as to a change of the creditor parties, applies very extensively to bonds for the faithful behavior of clerks, and to standing or continuing guaranties.

Again, where the duty for which the surety engages, be one of a temporary character, although renewable, such as the officer of a corporation electing its officers annually, a bond for the good behavior of such a person, although in terms general and unrestricted, will not extend to a renewed appointment after the expiration of the current term of office. The surety has a right to put himself on the identity of the duty: he engages for a man whose office necessarily ends with the year. It not being certain to every one that he will be appointed a second, the surety is not therefore supposed to have but one year in view, although, by indefinite terms, he may seem to embrace it. Besides, the change in the persons who appoint, in the vigilance with which the person appointed will be watched, or the carelessness with which he may be trusted, will vary: at all events, the surety might think so, and must have been asked about it, and assented to it, before his obligation is to be made to cover it.

All these instances illustrate the principle, that a surety is to be bound to the simplest extent of his obligation, and not farther: like Antonio's bond to Shylock, which was a suretyship, the obligation to give a pound of flesh carries not the right to one single drop of blood.

But in all these and other cases, if the terms of the surety's engagement do, by express terms, cover all such or similar or other changes in the form or substance of the debt or duty guaranteed, the surety will be bound. There is no illegality or imperfection in his stretching the borders of his engagement.

One important instance of construction in guaranties, is to determine whether they are temporary or continuing guaranties. A surety may engage to be responsible for another to the extent of a thousand dollars; it is essential to know if this is terminated after that amount is trusted, or if it continues as long as that amount credited from time to time remains unpaid? The only general rule here is, that as you are to hold strictly within a surety's promise, so therefore you are not to construe any guaranty to be a continuing one, unless it be so in express terms or necessary implication.

When it is a continuing guaranty, it is usually limited to a certain amount.

The question here will often arise, as to the application of a series of payments made by the debtor to a creditor, who has several debts owing to him by the debtor, some of which are guarantied and some are not. Has the surety a right to have all the payments applied to the debts on which he is liable, or has the creditor a right to apply them to the debts unprotected by a surety?

The rules on this subject are founded on the idea, that as the payment proceeds from the debtor, and is an application of property in his control, it shall follow the impulse he gives it; and if he is silent, then the question is as to his presumable intentions. Upon this principle, the rules seems to be thus:

1. Where the debtor, at the time of the payment, directs its application, his direction must be conformed to.

2. Where the debtor does not so direct, the creditor, *at the time* of payment, but not afterwards, may make the application as he pleases: being done at the time, and the debtor not dissenting nor directing, it is in fact a tacit application by the debtor himself. His silence speaks.

3. Where neither debtor nor creditor make the application *at the time*, then, if third persons are concerned, neither has nor have both united a right subsequently to make the application of the payment to the prejudice of such third person—the past is unalterable: the law then applies the payments, and in its application adopts several rules: all other things being equal, and the debts alike, it applies the payment to the more ancient debt before the more recent. If the debts are unlike, it applies it to the debt which, on its face, it is the debtor's chief interest to discharge; since, as the creditor has not made the application at the time, he is presumed to have been directed by the debtor, and the debtor will be presumed to have applied it as his interest required.

It will be perceived, that whether a surety be liable for a debt or not, has no concern with the legal inferences as to the application of the payments, farther than to prevent a retroactive application.

Our next topic is, the implied obligation of the creditor to the surety. The contract of suretyship is always a beneficial one to the creditor; and as to the surety, it is always a burdensome one, assuming an obligation primarily falling on another. It is a very natural result of these considerations, that the creditor, for whose benefit this contract is entered into, should be bound to give to the surety every aid in causing the debt to be paid by the debtor, whose obligation it is; and the surety to be reimbursed out of the means of the debtor all that he may be obliged to advance. As between the debtor and his surety, the right of the latter to the most full and advantageous redress is of most obvious equity: it is the debtor's own contract, assumed by the surety, that the debtor may derive an advantage from the contract guaranteed. And if the surety be thus entitled against the debtor, the creditor, who also is benefitted by the contract, which is made certain to him by the surety's undertaking, would outrage every principle of good feeling and of natural justice, if he did not consider himself bound to give every aid to the surety. The law recognises and supports these obligations of the creditor to the surety, by its principle of substitution.

By this, the surety is held entitled to have the unimpaired benefit of every remedy of the creditor against his debtor, and of every advantage or collateral security of which the creditor might avail himself; and the law sanctions this principle, not simply by making the creditor responsible for the actual loss which the surety might sustain in consequence of the creditor's impairing his rights of redress, but, in some instances, by the more severe consequence of exonerating the surety from his whole obligation. Thus, the surety being entitled to sue the debtor upon payment by himself, and to do it in the creditor's name if desired, every act of the creditor which impairs this immediate right of redress, discharges the surety. The creditor, therefore, by enlarging the time of payment, (by any valid promise,) by releasing the debtor, by destroying any of the collateral securities in his own hands for the debt, violates the surety's rights in them, and therefore must no longer look to his responsibility. All the doctrine of the exoneration of sureties subsequently to the contracting of their obligation, rests upon this right in favor of the surety; and the creditor

must never forget, that he can do no act which shall in the smallest degree impair his remedies against the debtor or his other securities: and this principle applies with equal force, although both the surety's obligation and the debtors, have been enforced by suit and judgment: it is a defence from which he is not precluded by any judgment or legal proceedings against him or the debtor: his right to the substitution grows out of the nature of his obligation; of course it is not lessened, but increased, by having that obligation enforced: and he may therefore, upon such conduct by the creditor as would interfere with the free pursuit of all the remedies and redress in the creditor's hands, have all farther proceedings against him prohibited.

This right of substitution belongs as well to the guarantying party, who engages through interest, as to him who makes the engagement from motives wholly disinterested; it grows out of the natural justice of resorting first to the debtor, and to the securities by him given for his own debt, in preference to the property of another man.

This right of substitution, also, gives a subsequent surety a right to enforce the creditor's contracts against anterior sureties, although the latter stand equally strangers to the principal obligation. Thus, if the creditor, having notes with the endorsement of sureties, obtains a subsequent guaranty, that subsequent surety is entitled not only to the remedies against the makers of the notes, but also against the endorsers: and if the principal debtor have been sued and given bail, (who are sureties of the most favored class,) the last surety is entitled to have this obligation of the bail also enforced in his favor, even although subsequently entered into. The reason is, that every advantage connected with the primary obligation is deemed to be in contemplation of the surety when his secondary obligation is contracted; and that all the advantages attached to the original debt, shall always be continued to it, whether it remain payable to the creditor, or to the surety, on his substituting himself in his place by a payment.

So far has this principle been attempted to be carried, that it has been insisted on that the creditor shall adopt measures of active diligence to collect the principal debt, or lose the liability of the surety: and in one instance, this has been held so; namely, where a surety requests the creditor to pursue his debt or securities for it, and the latter neglects to do so, and by subsequent circumstances his debtor or securities prove insufficient to satisfy the debt, the surety is in such case discharged. This, however, is rather an anomaly. It is not very consistent with the rights of the creditor: for, he takes the suretyship, because he does not rest upon the security of the primary debtor: he takes the suretyship because he wishes to be freed from the obligation of a vigilant pursuit: he asks the surety to take upon himself this obligation, and this is the substance of the surety's engagement: the latter engages for the debtor's fidelity, and ought to be bound to look after it: and it would seem that if the creditor is ready to receive his debt, and has been passive, so as not to deprive the surety of his advantages upon his paying the debt, he, the creditor, is blameless.

But except in the instance above stated, there is no obligation on the creditor to pursue the debtor in priority to the surety: he has entitled himself by his precaution to turn over all this care to the surety, and to say to the latter, I have taken your engagement because I was not satisfied with the debtor's; I did not know him, or knowing, I did not trust him: you trusted him, you entered into an engagement growing justly only out of your better knowledge of the debtor, or your greater confidence in or greater control over him. He, as I feared, has not performed his obligation:

you, as I expected, have been called on: and it is not now yours to complain, that that default has happened, the expectation of which has alone given rise to our contract; or to found upon the very cause of your obligation an excuse to be free from its immediate performance. The creditor, therefore, may always hold himself discharged from the surety's requests to prosecute, by offering to the surety to substitute the latter in his place, on receiving the debt; and generally, the creditor is not bound to watch the debtor, nor to pursue him, nor to use any other precautions than not actually to obstruct a redress against him.

Whenever, therefore, circumstances render useful any indulgence to the debtor, or any change in the condition of the security placed by him in the creditor's hands, the consent of the surety must be obtained: after which, he cannot allege an injury from such indulgence.

In conformity with the principle which holds the surety discharged by indulgence to the debtor, only in consequence of the rights of redress by the surety being thereby impaired, it has been held, that the creditor may even discharge a debtor, if in the discharge the rights of the surety against the debtor for his claims be clearly and fully reserved. Still this needs to be very cautiously examined before it is admitted as a safe proceeding: and except upon careful professional advice, and on circumstances of much exigency, the creditor must not discharge or delay any of his remedies against the debtor, or the collateral securities he may have given.

We next come to the fulfilment of the surety's obligation. This supposes the debtor to have failed. Generally, where the obligation is a distinct suretyship on its face, the creditor must notify the surety of the debtor's default before he calls upon the surety: it being supposed that, except where the surety places himself in the situation of a principal debtor, or undertakes expressly and directly in terms for the performance, the creditor will know before the surety does the non-payment of the debt to which the latter is not primarily a party. But this notice need not be given immediately, as in the case of notice of the dishonor of negotiable paper: it is sufficient if given within a reasonable time from the debtor's default, and before suit against the surety. If delayed unreasonably, and the surety have, for want of such notice, been put to loss in his suretyship, it might be difficult to answer whether the surety would not be discharged.

But although notice of the debtor's default is necessary before proceeding against the surety, suit against the debtor is not: as before remarked, the object of taking a surety on part of the creditor, is to avoid the necessity of resorting to a person in whose integrity or solvency he has little confidence: and besides, the expenses of the suit against the debtor will not be at the charge of the surety, unless adopted at his express request, or sanctioned plainly by him.

Nor is the creditor confined to proceeding upon one only of his obligations: he may at once proceed upon the obligation of the debtor upon all collateral securities, and upon every surety at the same time, subject only to the rule that he shall receive only his debt and the expenses of the suits against the parties or securities respectively. It would be of small use to a creditor to multiply or accumulate securities if only one could be enforced, or they could only be enforced one after the other.

The surety having paid the debt or damages for which he bound himself, the next inquiry is, as to his reimbursement; of course he has a right to proceed against the debtor whose debt he has been forced to discharge. He has also a right to receive from the creditor all the securities held by him for the

principal debt, and that unimpaired and undiminished ; and if any judgment have been obtained by the creditor against the debtor, the surety is entitled to have that judgment placed in his hands for immediate execution. The surety has also a right, where others have become co-sureties at the same time, and in the same rank with him, to call upon them to make up to him their equal shares of all that he has paid beyond the aliquot part of the debt which he ought to bear.

Often, counter securities are placed in the surety's hands ; and upon the failure of the principal debtor, the surety also stops payment, and attempts to treat these securities as his own property, and himself as the actual and only resort of the creditor. But, although such counter securities are put into the surety's hands to indemnify him only, yet the creditor has a right, against the consent both of the debtor and the surety, to compel the application of these counter securities to his debt. The law considers such counter securities, however declared to be for the personal benefit of the surety, to belong to the debt itself ; and that they ought to go to benefit the actual owner of the debt ; the surety holding such counter securities is a trustee of them for the creditor, in the same manner as the creditor is a trustee for the surety, of securities he may hold for the debt ; and if the surety be insolvent, or an unsafe depository of the funds placed in his hands as counter security, a court of equity will restrain him from disposing of them, and place them in a safe condition.

Often, the security takes a bond of indemnity as a counter security, stipulating to protect him against all loss and damage from his suretyship. When this is done, it should always be double in its stipulations, containing one that the debtor shall pay or perform the obligation required, and another, that the surety shall be indemnified against loss. If the counter security contain only the indemnity, and not the performance, clause, it cannot be made available until after the surety shall have paid upon the suretyship contract, and this is always inconvenient, and in its delay may be ruinous ; but, where it contains both clauses, the surety may proceed against the debtor as soon as the creditor can against the surety ; and the surety's remedy over will be ripened as early as his own liability can be enforced.

In the application, however, of the principles of suretyship to practice, some very unjust considerations are apt to have influence. Most generally the surety is disappointed when he is called on to pay upon his contract, for probably few make the engagement unless quite satisfied that they shall not be called upon to lose in consequence of it ; and for this reason, also, as well as from heedless good nature, men enter into the contract with little foresight. When, however, the loss comes upon him, the surety is apt to be soured by the disappointment and the loss, and perhaps finds himself committed for a heavy and ruinous amount. He then first casts about to see whether there be no loophole or flaw in his engagement, by which he may escape the force of the law. And although the principles of favor to sureties give them many advantages in a legal struggle on a doubtful point, yet the question of honesty is generally very plain. They may be legally exonerated by some technical informality or omission, while they know perfectly well, and their consciences are loud in informing them, that they supposed themselves bound, knew that the creditor supposed it, and that upon faith of this the contract was made and his property parted with ; and yet many a man, in such cases, with respectable pretensions in mercantile life, will take the advantage of his legal impunity, and violate his moral obligation. It need not be asked if this

be just, if it be honest, if it be true. Nor need we inquire into the character of that honesty, or the quality of that honor, which will only perform an obligation when it can be enforced by the sheriff.

It also often happens, that a surety, finding himself involved by engagements of this sort, and weighed down by them and by debts primarily his own, makes a broad distinction between his suretyships and his other debts, on the ground that the effect of his suretyship was not to increase his own property, and therefore he ought first to devote it to his other creditors in preference to suretyship creditors. It is worthy of much consideration to an honorable man, whether he can do this in justice. The obligation of the suretyship debt is perfect, and the creditor has parted with his property on the faith of it, just as much as any other creditor parts with it when he delivers it to the surety himself. The loss to him is as hard as to any other of the surety's creditors, and the circumspection of the creditor who has exacted a suretyship certainly ought not to postpone his claims to receive equal justice at the surety's hands. Yet, in how few instances does the creditor of a surety receive his measure of justice, and how needful is it that public opinion on this subject should be pointed to the eternal principles of right and wrong, and made to take deep effect upon violations of this obligation.

Closing our observations on the particular subject, it is not out of place to say, that, to this enlightened public opinion upon matters of ordinary traffic and business, we must look as the source of all our improvements in mercantile ethics. Laws to rectify abuses in trade can be obtained with difficulty; interminable discussions arise as to modes of remedy; interested parties will bring to debate the plainest principles of policy and morals; ignorance, inexperience, and presumption, will be met with in legislative halls; and even laws, however wise, avail but little against laxness of integrity and a debased moral feeling. But well principled public opinion meets men at every turn: it faces them in the exchange, stands beside them in the store; it whispers to them at the fireside, and thunders after them in the highway; men see character given and withheld upon its breath; it is the real sovereign in our country.

Sovereign, however, as it is, and powerful as pre-eminent, we are ourselves its very makers. Public opinion is but the aggregate of individual opinions, and an aggregate, the weight of which is not estimated by numbers alone, but by the character and circumstances of those from whom it is drawn forth, estimated and taking effect as acted out in conduct. To form it, we are not merely to combine our declarations and resolves, but to show forth in all our conduct, under every provocation and every pressure, those principles of truth, justice, and regard to public good, which ought to form its basis; to show those principles, not simply by exacting conduct in conformity to them from others, but by practising them in our own cases, and against our own apparent interests; to forbear a legal exoneration when we are in justice and honor bound; to refuse an unjust advantage, when the blame would all rest on another, and the benefit fall to ourselves: these are the means by which we may help to form, to rectify, and control this powerful public opinion. And may it not be permitted to me, young merchants of New York, to commend to you this subject, as one upon which you ought to make your influence felt? It is the American system, the system of this young and rising empire, to place high responsibilities and duties on men in very early life, and it is its wisdom. The middle aged we may criticise, speculate upon, and judge, but can we alter? The young are of course to be moulded, and may therefore be improved. Around *them* hover our wishes, upon *them* rest our hopes. Their

impulse is vigorous, their step firm, and their progress irresistible ; and, gentlemen of the Association, when I think on your numbers, your present advantages, your future prospects, can it be extravagant to say, that upon you will it greatly rest to raise, elevate, and perpetuate the mercantile character of our country.

ART. VI. — MERCANTILE LAW CASES.

BILLS OF EXCHANGE — GUARANTY — WARRANTY — DECEIT — BILLS OF EXCHANGE — PROTEST — FRAUDULENT BANKRUPTCY — CONSPIRACY TO CHEAT.

BILLS OF EXCHANGE — GUARANTY.

The case of *M'Laren v. Watson*, which was tried in New York, and is reported in the last volume of Wendell's Reports, was an action on a written guaranty, signed by the defendant, of the following purport :

“ *New York, April 28, 1838.*

“ I hereby guarantee the payment of a note at sixty days, drawn by William A. Blackney and Edgar C. Blackney, payable to the order of William Watson, (New Milford, Conn.,) William Watson, (393 Pearl street,) and Daniel S. Tuthill, (13 Christopher street,) for \$300, value received. Dated April 28, 1838.”

There were many objections to the plaintiff's recovery, all of which were overruled by the Supreme Court, who held, among other things :

1. That a general guaranty, without naming any person as the party guarantied, is a valid instrument, and may be enforced by any one who advances money upon it ; and he may, in an action on the guaranty, declare as upon a promise to himself.

2. But such guaranty is not negotiable, so that an action may be brought upon it in the name of any person other than him in whose hands it first became available, unless it be upon the note, the payment of which it guarantees. If it be upon the note, it may be treated as an endorsement, having the quality of negotiability, with the farther benefit of a demand and notice.

3. It would seem, also, the Court say, that when the guaranty is an absolute promise to pay, and not a mere guaranty for collection, and an advance of money is made upon the strength of the declaration of its validity by the guarantor, that the guarantor would be held liable, although there should be no note in existence.

4. In a guaranty to pay the debt of another, the words, “ for value received,” is a sufficient expressing of the consideration to render the instrument obligatory.

5. It seems that receiving a worthless note as payment is not an extinguishment of a debt.

GUARANTY.

In the case of *Ward v. Fryer's Executrix*, (19 Wendell's Reports, 494.) the court held, that an action will not lie on a promise by one to indemnify

and save another harmless from all loss which he may sustain, in consequence of making advances to a third person, at the request of the promisor, without showing an ineffectual attempt to coerce judgment from the party to whom the advances were made, or that endeavors to collect the money from him would have been useless, by reason of his insolvency, or otherwise.

WARRANTY—DECEIT.

The case of *A. & S. E. Salisbury v. Stainer & others*, decided at Albany, at the January term of the Supreme Court of New York, (19 Wendell's Reports, 159,) was an action in which the plaintiffs sought to recover back the price of 184 bales of Italian hemp, for which they had paid the defendants, at the rate of \$210 per ton, the sum of \$5,779 71, besides charges for cartage.

When the hemp came to be worked, it was discovered that the interior of the bales was very different from the exterior, not only being of an inferior quality, but containing large quantities of tow. The plaintiff opened and worked twelve bales, and reshipped the remainder to the city of New York, where the defendants resided, and tendered the hemp to the defendants, demanding a return of the money paid for it. The hemp was examined in New York by two men experienced in the article, who concurred in stating that it was not worth more than \$150 per ton. The plaintiffs produced a letter, accompanying the invoice received by them from the defendants, containing the following clauses: "there is no more *first quality* hemp now remaining, but we should be glad to sell our *third quality* at about \$175, if you have any use for it. We have only eight tons of it on hand. Our second quality we hold at \$205 at retail;" and "advices received from Trieste this morning by the English packet, quote first quality Ferrara hemp, *same as sold to you*," &c. The plaintiffs also proved that the defendants, in speaking of the hemp in question to *other persons* to whom they offered to sell the same, previous to the sale to the plaintiffs, represented it as hemp of the *first quality*.

On the part of the defendants, it was proved, that the purchase was made by the plaintiff, S. E. Salisbury; that the hemp, at the time of the purchase, was not in the defendants' storehouse, but in the storehouse of Messrs. De Rham & Moore; that the defendants sent a person in their employment to the store of De Rham & Moore to show the hemp to the plaintiff, telling him at the same time, *examine well for yourself*; the plaintiff proceeded to where the hemp was, cut open a bale, and though he said nothing, appeared satisfied with the quality. The witness testified that the plaintiff might, if he had so chosen, have cut open every bale; he had the opportunity. It was farther proved, that the plaintiffs disavowed charging the defendants with fraud in the sale of the hemp.

At the trial before Judge Vanderpoel, at the Rensselaer circuit, in 1835, the jury, under the instructions of the court, returned a verdict for the plaintiffs for \$6,110 45.

The defendants moved for a new trial, and after argument before the Supreme Court, it was decided that a new trial should be granted. The Court held:

1. That there was *no implied warranty* in the case, that the interior of the bales should correspond in quality with the exterior; and if there was fraud, the vendor was not responsible in damages, unless it was shown that he was privy to it.

2. Where the purchaser opens and examines one of several bales, and is at liberty to open others, but omits to do so, and the quality of the hemp in the bales not examined does not correspond with that opened, he is not permitted to allege that the sale was a *sale by sample*, nor to contend that he is entitled to recover damages as on an *implied warranty*.

BILLS OF EXCHANGE—PROTEST.

The case of *Rogers v. Jackson* (reported in the 15th volume of Wendell's Reports) was an action against the defendant as second endorser of a promissory note. To prove a protest for non-payment, the plaintiff introduced a notary's certificate, stating a demand and protest for non-payment, and then proceeding as follows: "and I did on the same day put in the post office in the city of New York, a notice of the said protest, directed to James & John P. Jackson, endorsers of the said note, at Patterson landing, New Jersey, the reputed place of residence of the said James & John P. Jackson."

The defendant contended that the certificate of the notary was defective in omitting to state "*the post office nearest to the reputed place of residence of the defendant*," in accordance with the requirements of a statute of New York, passed in 1833. The Court sustained the objection, and held that the certificate was defective.

FRAUDULENT BANKRUPTCY.

THE recent trial of Thomas W. Dyott, in Philadelphia, has caused so much excitement there, and is fraught with so much that is instructive in a mercantile point of view, that we are induced to give an extended account of the case.

A few years since, Dr. Dyott established a famous manual labor bank in Philadelphia, and by means of circulars, advertisements, and false representations, induced a great many people, principally of the middling interest and poorer classes, to deposit their earnings in his bank. The institution became insolvent, and the banker applied for a discharge as an insolvent. After a long examination, the court refused to grant the application, and committed him to jail in accordance with the following provision of the law:

"If it shall appear to the court, upon the hearing of any petition, either by the examination of the petitioner, or other evidence, that there is just ground to believe that he has concealed any part of his estate or effects, or colluded or contrived with any person for such concealment, or conveyed the same to any person for the use of himself, or of any of his family or friends, or with the expectation of receiving any future benefit to himself, or them, and with intent to defraud his creditors, in every such case it shall be the duty of the court to commit such persons to the jail of the county, for trial, &c.

"If such debtor shall, upon trial, be convicted of any of the acts mentioned in the preceding section, he shall be adjudged guilty of a misdemeanor, and sentenced as follows: If found guilty of concealment of property as aforesaid, he shall be sentenced to undergo an imprisonment in the penitentiary at hard labor, for a term not less than one, nor more than seven years, at the discretion of the court."

At the criminal sessions before Judge Conrad, the grand jury indicted the defendant. The indictment contained eleven counts. 1. Conveying to J. B. & C. W. Dyott, certain merchandise, value \$100,000. 2. Colluding with same persons to conceal same goods. 3. Conveying to Thomas W. Dyott,

Jr. certain merchandise, value \$50,000. 4. Colluding with the same person to conceal same goods. 5. Colluding with Michael B. Dyott to conceal goods, value \$30,000. 6. Colluding with William Wells to conceal \$840 in money. 7. Conveying to Julia Dyott certain furniture, value \$1000. 8. Concealing certain merchandise, value \$50,000. 9, 10, 11. Concealing sums of money laid at different amounts, but the same charge, viz. \$300,000, \$100,000, \$10,000.

The trial commenced about the first of May, and continued with slight interruptions till the first of June. Sixty-eight witnesses were examined for the commonwealth, and thirty-three for the defendant. There was also much documentary evidence. The jury returned a verdict of guilty.

At a subsequent day, the defendant moved for a new trial; but after a full and elaborate argument, the court overruled the motion, and he was sentenced to confinement in the Eastern Penitentiary three years.

Dr. Dyott is more than seventy years of age. Previous to receiving sentence, he presented to the court the following letter :

“The subscriber respectfully submits the following remarks, in perfect sincerity and truth. He is aware that they can have no effect upon his liability to the penalties of the law. He has been pronounced guilty by a jury. Successive applications to arrest the judgment, and to set aside the verdict, have failed. The sentence of the court is now inevitable. This solemn assurance is deliberately made, under no expectation that the sentence can be averted or its character assuaged. He is induced by higher motives to declare in the face of God and man, that he is not guilty of the offences with which he is charged — that he has not in his possession or under his control, money or property of any description — that no person whatever, with his knowledge, or according to his belief, has or holds property or money for his use or benefit — that nothing is withheld or concealed from his creditors, by himself or by any other person, with his connivance, consent, knowledge, or according to his belief — that he has faithfully surrendered all that he owned or could claim for the payment of his debts — that he is literally penniless — and that he has, without reservation or disguise, truly disclosed, in his public examination, all that he knows concerning his property and business that can in any way whatever be of any advantage to his creditors, or any of them.

T. W. DYOTT.

August 30th, 1839.”

“It is impossible,” says the Philadelphia Gazette, “to contemplate the imprisonment of this man, at the age of seventy years, with his gray hairs, in solitary confinement and at hard labor, without feelings of commiseration for himself, his family, and his friends.” “We believe,” adds that paper, “Dr. Dyott guilty of fraudulent insolvency. The trial, after a long and most patient investigation, has so decided.” And “one can not contemplate the losses of special depositors in the Dyott bank, without indignation and sorrow; yet pity mingles with a feeling of justice, when the main actor in the fraud, bent with years, goes into the gloomy recesses of a penitential cell, there, perhaps, to end his days.”

CONSPIRACY TO CHEAT.

Subsequent to the trial of Dr. Dyott, as above, several individuals were brought before the Mayor of Philadelphia, and after a full and elaborate examination, were ordered to recognise for their appearance at the court of criminal sessions, to answer the charge of conspiring with Dr. Dyott to de-

fraud the community. One of these, Jacob Ridgway, represented as very wealthy, refused to give bail, and was committed. He immediately sued out a writ of habeas corpus, and was brought before the court of common pleas. The court, after a full hearing of the case, ordered him to be discharged.

It appeared in evidence at this examination, that some time prior to the fifth of May, 1836, Thomas W. Dyott established a banking institution in the city of Philadelphia, by the name of the Manual Labor Bank, and on the ninth of May, executed a bond and warrant of attorney to Stephen Simpson, Samuel S. Sneyd, Peter A. Calder, and John A. Rowe, in the penalty of \$500,000, stating, that "he had already issued, and was about to issue, his certain promissory notes for various sums of money," and "had already received, and is about to receive and hold in deposit, such sums of money as shall be left and deposited with him at his said banking house." The condition of the bond was for the faithful payment and discharge of those notes and deposits, or, in default thereof, execution to issue against his real estate. Judgment was then issued on this bond in the District Court for the city and county of Philadelphia, on the 11th of May, 1836, and the warrant of attorney filed.

In April, 1837, a run was commenced on the bank by the note holders and depositors, which Dr. Dyott was unable to meet without assistance. He then applied to Ridgway (who had before that time occasionally discounted his notes or loaned him money) for aid. The latter agreed to advance money from time to time on receiving satisfactory security for its repayment, and on the 6th of April, 1837, Dr. Dyott executed his bond and warrant of attorney in favor of Ridgway, in the penal sum of \$40,000, conditioned for the repayment of such moneys as might be advanced to him, and, as a farther security, on the 7th of April, 1837, Dr. Dyott assigned to him an invoice of glassware, valued by Dr. Dyott at \$93,899 28. The run on the bank continued until the general suspension of specie payments in May, 1837. During that time, Ridgway advanced about \$30 000. His whole advances during the year 1837, being in the neighborhood of \$50,000.

On the 19th May, 1837, Messrs. Simpson, Sneyd, and others, executed an assignment of the bond for \$500,000 to Ridgway, to hold the same "in trust for the uses and purposes" in the said bond mentioned. This assignment was entered of record on the 22d of May, 1837, and the judgment marked to the use of the relator. The existence of the bond as a security for the bank had been published in the newspapers, but without the names of the obligees or trustees. Soon after the assignment, the advertisement was altered by Dr. Dyott's inserting the name of "Jacob Ridgway, trustee and bond holder."

Dr. Dyott was the owner of considerable real estate, which he valued at \$200,000, though Ridgway never considered it worth more than one third of that sum, and on one occasion told the Doctor that it would not bring \$50,000. What was in reality the value of it does not appear. He also possessed considerable personal property, but on the 1st of July, 1837, he assigned all his stock (including the glass ware which had been assigned as collateral security to the relator) to J. B. and C. W. Dyott, his son and nephew, for the nominal sum of \$150,000. On ascertaining the fact, Ridgway required in lieu thereof additional security for his debt, and on the 1st February, 1838, he received the bond of T. W. Dyott, and J. B. and C. W. Dyott, for \$45,594 83, and on the 10th of May, of the same year, another bond of the same parties for \$13,879 67. He continued his advances until September, 1838, in various sums amounting in all, during that year, (including the purchase of the mortgages of \$5,000 each,) to the sum of \$49,460.

After the assignment of the bond to Ridgway, and the advertisement of his name as trustee and bond holder, many persons called on him to ascertain the value of the notes and the security of the deposits. He always stated his belief in their security, but generally stated that belief to be founded on the representations of Dr. Dyott; but on some occasions he appeared to speak without reference to the statements of Doctor Dyott. These statements were made in 1837; in November of that year he said to one witness who called on him, that he believed the real or personal estate of the Doctor was sufficient to pay his debts, and that in his opinion the notes of the Manual Labor Bank were better than those of the Loan or Savings Institution. On the 11th September, 1838, the bond for \$500,000 was re-assigned by Ridgway to the original obligees, (Simpson, Sneyd, and others,) and the judgment marked to their use; no other notice was given of this re-assignment at that time, but at a meeting of the creditors of the bank in November of that year, the fact of the re-assignment was mentioned; that meeting was called for the purpose of devising means to enable the bank to continue in operation; a committee was appointed to wait on Ridgway, and solicit from him a loan of \$30,000, but he declined making any farther advances, and no other efforts appear to have been made by that committee.

These were the principal facts in the case, on which the counsel for the government insisted that there was probable cause for binding the defendant over to answer the following charges, viz.: 1. Conspiracy to establish an unlawful bank. 2. Conspiracy to support an unlawful bank with a false capital. 3. Conspiracy to support an unlawful bank with a false capital, knowing the representation of capital to be false. And each of these with a view to cheat and defraud the citizens of the Commonwealth.

The remaining charges urged as indicating a fraudulent conspiracy, were, 1. the acceptance of the assignment and making a re-assignment of the bond for \$500,000; 2. The frequent interviews between Ridgway and Dyott; 3. The representations uniformly made of the solvency of the bank; and, 4. Ridgway's representations of solvency, after he knew of the fraudulent transfer of the goods assigned to him as a collateral security.

After a full hearing of the case, the court were unanimously of opinion, that there was not sufficient evidence against the defendant to warrant his being held to answer the charge of conspiracy, and he was discharged.

We learn that several of the creditors of the bank have commenced civil actions against Ridgway, to try the question whether he is responsible for the debts. It may be proper to state, in conclusion, that the testimony before the Court of Common Pleas was different from that before the mayor: several witnesses, and among them one said to be the most important for the Commonwealth, who were examined there, were not examined in the first mentioned court.

BEWARE OF OVER-TRADING. — If, by depending upon fictitious credit, you extend your business very far beyond your real capital, the hazard of bankruptcy and ruin will be great. In this case, you risk not only your own property, but that of your creditors, which is hardly reconcilable with honest principles. When the profits of trade happen to be greater than ordinary, over-trading becomes general; and, if any sudden change occur in the state of the commerce or currency of the country, a revulsion must inevitably ensue, and consign thousands to unexpected ruin.

MERCANTILE BIOGRAPHY.

ART. VII. — MEMOIR OF MATTHEW CAREY.

THE characters of great and good men belong to mankind ; and there is no duty more pleasant or useful, than that which seeks the recognition of their virtues, and stimulates in after life to the imitation of their example.

Few men have ever won a larger space in the public regards than Matthew Carey ; and what constitutes that fact one of peculiar gratification to those who knew him best, few indeed were ever more deserving of public esteem. There is, then, an agreeable service that we may render unto ourselves, in studying aright, if possible, the points of his character which went to make him what he was.

Mr. Carey was born in Ireland, on the 28th of January, 1760. His father was a very worthy man, and by the prudent exercise of his trade, that of a baker, amassed a handsome fortune. In early life, he was not remarkable for any extraordinary exhibition of his intellectual powers ; and his education, previous to his reaching the age of fifteen, was mostly confined to the branches of a common English course.* When, at that age, it became necessary to select a trade, his own inclination was decidedly in favor of that of a printer ; and though he declares his father was very much opposed to that avocation, he was finally able to overcome the aversion, and went as an apprentice to a Mr. McDonnell, of Dublin, a printer and bookseller, who was tempted, being very poor, to take him, in consequence of the thirty guineas to be paid as apprentice fees.

He represents himself to have been a voracious reader, previous to his entering with McDonnell ; and, like Franklin, in early life, he had made friends with the keeper of a circulating library, who used to supply him clandestinely with books, as his father was opposed to his perusing the promiscuous works usually, at that early day, to be met with in such an establishment.

In consequence of what he always considered, in after life, the carelessness of his nurse, he was lame in one foot from the time he was a year old ; and though he ever appeared to regard this as an unparalleled calamity, it was, no doubt, the means of securing him more studious habits in early life than he would otherwise have possessed, inasmuch as his infirmity seriously prevented his mingling in those athletic sports, which most always take up a considerable portion of youthful days.

He states that his first essay as a writer was when he was about the age of seventeen, and upon the subject of duelling. It was produced in consequence of a hostile meeting between a fellow apprentice, and the apprentice of a bookseller named Wogan. The difficulty grew out of a personal altercation between the lads, which ended in blows. Wogan very improperly urged his apprentice to send a challenge to the opponent, which was accordingly presented, demanding a meeting in the Park on a certain day, and Wogan went out with his lad, and was the master-spirit of the whole affair.

* Vide an Autobiographical Sketch, which he prepared not many years since, at the suggestion of a gentleman (Mr. Buckingham) who, like Mr. Carey, is the architect of his own fame, of the facts of which free use will be made in this sketch.

Mr. Carey regarded this as most exceptionable conduct on behalf of Wogan, and, therefore, consequently wrote a bitter denunciation in the *Hibernia Journal*, a paper owned in part by Mr. M'Donnell. Young Carey became known as the author, and besides receiving a severe reprimand, his fellow-apprentice, a poor orphan, was finally dismissed, to appease the temper of Wogan; Carey was deeply indignant, and lost confidence in M'Donnell.

The next production of which he gives account, was a pamphlet, written in 1779, in regard to the oppression upon the Irish Catholics; and this, from its results, proved to be one of the most important events of his early career. It shows also much of the ardency, patriotism, and love of liberty, which we shall see were, through life, leading traits in the character of Matthew Carey. It bespeaks likewise a comprehensive survey of the great principles of universal freedom, which America had been, and was then, securing, not only for her own sons, but for the nations that should follow her glorious example.

It will be pertinent to reprint, in this connexion, a single paragraph, sent out as the parachute of the obnoxious pamphlet.

"At a time when America, by a desperate effort, has nearly emancipated herself from slavery; when, laying aside ancient prejudices, a Catholic King becomes the avowed patron of Protestant freemen; when the tyranny of a British Parliament over Ireland, has been annihilated by the intrepid spirit of Irishmen; it is a most afflicting reflection, that you, my countrymen, the majority of that nation, which has shaken off an unjust English yoke, remain still enchained by one infinitely more galling: that you are through your own pusillanimity, daily insulted by impudent menacing advertisements from insignificant parts of the kingdom; that a few tyrannical bigots in Meath and Wexford, presume to take into their own hands the legislative and executive part of our government; and with a dictatorial power, prescribe laws to their fellow subjects."

The issue produced much excitement; and, Parliament being in session, the Duke of Leinster brought it before the House of Lords, and Sir Thomas Conelly in the House of Commons. It was denounced treasonable and seditious, and quoted in proof of the rebellious views of the Roman Catholics. Unfortunately for the cause of truth and human liberty, there has always been found in poor Ireland cringing sycophants to government, who at all hazards would sustain the "powers that be." It was declared to be in this spirit that a body of Roman Catholics—possessing not a particle of that patriotism which accomplished the Irish insurrection of 1798, or the far nobler event of 1776, which declared "America a Nation of Freemen"—denounced the publication of young Carey, and offered a reward for the apprehension of its author. His father was greatly alarmed—took steps to have the pamphlet suppressed—and by the advice of his friends the son was secretly put on board a Holyhead packet and sent to France. He was introduced to Dr. Franklin, "who had a small printing office at Passy, a village near Paris, for the purpose of reprinting his despatches from America, and other papers." He worked a while for the Doctor, and afterwards with Didot le jeune, on some English books, which that printer was republishing. In about twelve months, the excitement having died away in his native country, young Carey returned home.

While in France, he was called upon by the Marquis de la Fayette, who was seeking information relative to the condition of Ireland, and we shall

see that the great patriot and friend of American Liberty did not forget the acquaintance, when he was subsequently in Philadelphia.

After his return to Dublin, by the assistance of his father, who had in the mean time purchased of M'Donnell the balance of his son's apprenticeship, young Carey, then being twenty-two years of age, set up a paper called the Freeman's Journal. It was commenced in October, 1783, and is described by its editor, "as enthusiastic and violent." It soon obtained an extensive circulation, had decided influence on public opinion, "fanning the flame of patriotism which pervaded the land, and excited the indignation of government, which formed a determination to put it down." On the 7th of April, Mr. Foster moved in the House of Commons,

"That an address be presented to the Lord Lieutenant, requesting that he will please issue his proclamation, offering a reward for the apprehension of Matthew Carey." *Parliamentary Register*, 1783—4.

Mr. Carey was also prosecuted for a libel on the Premier. He was finally arrested in his own office, and conveyed to the house of the sergeant-at-arms, L'Estrange, as Parliament had previously adjourned. But Parliament re-assembled on the 19th of April, and he was taken before that body; and, to the astonishment of all the friends of any thing like liberty of speech, Mr. Carey was, by a vote of forty-three to forty, committed to Newgate. On the 14th of May, "Parliament having adjourned, and their power of detention in prison having ceased, I was (says Mr. Carey) triumphantly liberated by the Lord Mayor." But, he adds, "although thus freed from the clutches of the Parliament, the criminal prosecution for the libel on John Foster, the Premier, like the sword of Damocles, was suspended over my head," The Attorney General having besides filed a bill against him, *ex-officio*, to prevent the action of the Grand Jury, it was deemed best that he should quit his native country, inasmuch as justice was obviously to be denied by those in authority in "his own, his native land." Accordingly, in the disguise of a female dress, to escape the myrmidons of government, he took passage on board the America, on the 7th of September, 1784, and landed in Philadelphia on the 15th of November following.

In the difficulties and embarrassments that had attended his prosecution and imprisonment, his means had much run down, and when he landed on the wharf at Philadelphia, he was an entire stranger, with scarce a dozen guineas in his pocket! The newspaper had been sold to his brother for £500, to be remitted as soon as he could conveniently do so; but his hopes from that source were almost blasted, for he never received but £50, the Freeman's Journal having ultimately perished. "partly by the persecution of his brother, but chiefly by government's setting up a paper with the same name, in order to take its custom and destroy it."

But a very pleasant and unlooked for event gave new courage to his hopes, if it did not indeed add a bright coloring to all his after career. We have said before that the Marquis de la Fayette had made a call upon young Carey while he was at the printing office of Passy, in France. He was then at Mount Vernon, whither a fellow passenger of Mr. Carey's, named Wallace, had repaired, to deliver letters which he brought to the Marquis. The Marquis made many inquiries of Wallace in relation to the affairs of Ireland, and observed, that he had seen an "account of the Parliament's proceedings against the persecuted printer, Matthew Carey." Wallace informed the Marquis that he came passenger with Mr. Carey, and that he was then in Philadelphia. Subsequently, on the Marquis's arriving in Philadelphia, he wrote

Mr. Carey a note, desiring a call at his lodgings. "He received me," said Mr. Carey, "with great kindness, condoled with me on the persecution I had undergone, inquired into my prospects, and having told him I intended to set up a newspaper, he approved the idea, and promised to recommend me to his friends, Robert Morris and others. Next morning, a letter was handed to me from him, containing four one hundred dollar notes on the Bank of North America, but it contained not a word in reference to the enclosure." This was a noble act, worthy of the man who had expended a large portion of a princely fortune, and freely offered his life, in the cause of American liberty. He "meets a poor, persecuted young man, destitute of friends; his heart expands, and he freely gives him means of making a living, without the remotest expectation of return, or of ever again seeing the object of his bounty."

It is due to Mr. Carey to state, that he subsequently sent the Marquis a valuable present; and when he arrived in our country in 1824, in broken fortunes, he sent him, also, a check at New York, for the full sum of four hundred dollars, which Lafayette very reluctantly received.

If Bulwer had embodied the early career of Mr. Carey, he might well have said of him, that,

"In the lexicon of youth, which Fate reserves
For a bright manhood, there is no such word
As *fail*."

Actuated by this dauntless spirit, he immediately commenced a newspaper in Philadelphia, called the Pennsylvania Herald. He purchased his types out of his little fortune, and as a bookseller named Bell had recently deceased, among whose effects was an old and much worn press, Mr. Carey purposed its purchase; but Colonel Oswald, who published the Independent Gazetteer, regarding the commencement of another paper with rival feelings, bid against Mr. Carey, until he raised the price of the old press to £50, nearly as much as a new one of the same kind was worth, "being," adds Mr. Carey, "one third of my whole fortune."

The first number of his newspaper was issued on the 25th of January, 1785, and the history of its progress shows that none but an undaunted mind and indomitable spirit would ever have been successful in its establishment. The editor was a perfect stranger, totally unacquainted with the feelings, prejudices, and wishes of those he had come amongst. The first decided impression which the newspaper made, was the commencement, in its columns, of the English newspaper practice of reporting, *in extenso*, the speeches of the House of Assembly. This was then novel in this country, and soon made the Herald much sought — especially as the editor showed a wonderful faculty in making his reports accurate. He was much aided in this by a most tenacious memory, which was at the bottom, in all his after life, of his storing away for ready use, probably, a greater body of valuable statistical and other knowledge than most any man of the age in which he lived.

Parties, at this period, ran high in Pennsylvania, as they did elsewhere. The general classification was Constitutionalists and Republicans. "The former were supporters of the constitution then existing, which conferred the legislative powers on a single body, styled the House of Assembly; and the executive department on a president and executive council. The republicans were zealous for a change in the legislature, so as to have two branches, a Senate and House of Representatives. There were various minor points of difference, unnecessary to be particularized."

Colonel Oswald, of the *Gazetteer*, was the organ for the republicans, and wrote a very violent attack on a society of foreigners, styled, "the newly adopted sons of the United States." Mr. Carey, A. J. Dallas, and many other powerful writers, were members, and they annoyed the republican party very much with their pens. Colonel Oswald denounced the society as "foreign renegadoes." Mr. Carey wrote a reply, in which were these sentences:

"National reflections are as illiberal as they are unjust; but from Americans, they are something worse. A great part of the armies that nobly gained America her independence, were aliens, or foreigners, many of whose countrymen are now the subjects of obloquy and reproach. I mean French, Germans, Irish, etc."

A bitter newspaper controversy ensued, which finally terminated thus: Mr. Carey, in speaking of some of Colonel Oswald's paragraphs, holds this language:

"The literary assassin, who basely attempts to blast a character, is a villain, whether he strut in the glare of day a ferocious Colonel Oswald, with a drawcansir countenance, or skulks a Junius, concealed for a quarter of a century."

Colonel Oswald made this reply:

"Your being a cripple is your main protection against personal insults."

Mr. Carey's rejoinder was:

"Though I am a cripple, there is a certain mode in which I would be on equality. This hint is the less necessary to a man whose newspaper frequently holds out threats of coming to the point."

This correspondence Mr. Carey reprinted in a satirical poem, entitled, "The Plagi Scurriliad, addressed to Colonel Oswald." The latter returned it by a Captain Rice, who said, "Colonel Oswald considers this a challenge." Mr. Carey coolly replied, "It was so intended," and referred him to a Mr. Marmie, a French gentleman, of the house of Turnbull, Marmie, & Co. The seconds fixed on Saturday, the 21st of January, 1786, for the day of meeting. They met, accordingly, in New Jersey, opposite the city. Colonel Oswald, having served in the army, was a practised shot, while Mr. Carey had never drawn a trigger but once in his life. They were at ten paces distance, when the word was given, and the pistol of Colonel Oswald shot his antagonist through the thigh bone, which laid him up for nearly sixteen months. All the records of the times show that both parties behaved coolly and magnanimously on the ground; and the result was more fortunate than most duels are, for it appears to have made the parties feel towards each other, with the generous Frenchman, Colonel Damas: "It is astonishing how much I like a man after I've fought with him."

It is but simple justice to Mr. Carey to add here, that he deprecated his having engaged in this duel during all his after life; and, following up his early impressions, he continued to wield his pen against this relic of the ages of barbarism, which has, through a false notion of honor, swept away from America so many valuable lives. Mr. Carey appears to have acted throughout with a firm conviction that it was the determined purpose of Colonel Oswald and his friends to blast his character and destroy his hopes; and, urged forward by a natural warmth of temperament, he declares, "On one thing I was resolved: if I displayed the white feather, I would never see Philadelphia more."

The next work in which Mr. Carey was concerned, was the *Columbian*

Magazine, wherein he was interested with four other partners. He finally, however, withdrew, and commenced the *American Museum*, a magazine "intended to preserve the valuable fugitive essays that appeared in the newspapers," which he continued until December, 1787. But the times were not very propitious for magazines in those early days, and it should be mentioned as a matter of encouragement to others to persevere under great difficulties, that Mr. Carey declares himself often in such a state of "intense penury," that he was frequently compelled to "borrow money to go to market." As a specimen of his extreme poverty, he quotes the case of a German paper-maker, living fifteen miles from the city, to whom Mr. Carey had given a note for thirty-seven dollars, which he had to come to Philadelphia five times for, receiving the amount in as many instalments.

The marriage of Mr. Carey was the next event of importance. Miss B. Flahavan, the daughter of a highly respectable citizen, who, like thousands of others, was ruined by the revolution, was the partner of his choice. She had no dowry but that of prudence, intelligence, and industry, and these are far richer than any other that can be bestowed. She had united herself to a man whose whole fortunes consisted of a few hundred dollars' worth of furniture, and some back numbers of his magazine, comparatively valueless as soon as the work was abandoned. But what of that? Both husband and wife had minds filled with good common sense. They had no false pride to retard their efforts. They were persevering and economical, and together they resolved to make their way in the world. "We early," says the husband, "formed a determination to indulge in no unnecessary expense, and to mount the ladder so slowly, as to run no risk of having to descend." What a salutary example is here written in one sentence for the young of our day! How altered is the mode of beginning the marriage life now-a-days. Large rents, expensive establishments, unlimited debts, "routes and rounds of fashion," are at once launched into; and the young couple live on, so long as petty shifts, contrivances, and deceptions will sustain them, and then sink into homeless misery, from which, perchance, they never recover. "Daughters, tenderly reared, and who have brought handsome fortunes to their husbands, are often obliged to return home to their aged parents, who have to maintain them, their husbands, and their children — a deplorable fate for old age." Fathers have the unspeakable misery of beholding their sons, in whom the hopes of after years were centred, broken down, indolent, reckless, dissipated — hanging on society as pests and nuisances, instead of becoming ornaments and examples of it. Oh, "what masses of misery would it not prevent," if the young men of our day would adopt the shining and virtuous example of the heads of the family, the incidents of whose lives we may so profitably dwell upon!

They lived happily together for nearly thirty-nine years, — until the death of Mrs. Carey, which occurred many years since, — rearing a family of six children, two having died in infancy, and one at the age of seventeen. The prudential habits, fixed principles, and strong common sense, which ever guided these parents, have been reflected in the estimable characters of their children. It will not be proper to speak here, as we might be tempted to do, of the living; but we may be allowed the remark, as proof of correct parental guidance, that the gentlemen and ladies of this family are worthily ranked among our most estimable citizens. The eldest son, Mr. Henry C. Carey, was for many years known as one of the extensive book house of Carey, Lea, & Co., from which he retired, a few years since, with an ample fortune,

as the result of strict application to business, and unfaltering mercantile honor. That gentleman, too, is a good writer, and his last work, which was upon political economy, has met high consideration from the ablest reviews of our own country, and those of England also.

After the relinquishment of the *Museum* magazine, Mr. Carey commenced printing and bookselling on a limited scale, but by the most unceasing industry, perseverance, and integrity, he went on gradually extending his business, and making slow but sure steps to wealth. "Some idea," says Mr. Carey, "may be formed of my devotion to business, from the fact, that, for above twenty-five years, I was present, winter and summer, at the opening of my store; and, my parlor being close to the store, I always left my meals when business of any importance was being transacted." How different this from the custom of too many of the present day. Up pretty much all night in the whirlpool of false society, the morn has wasted into noon ere they come out to their places of business, and in the afternoon, instead of "minding the shop," they find it "indispensable to health" to "whirl out of town in a cabriolet." If the example of such a man as Matthew Carey is worth anything, let those who are determined to succeed in life reform altogether those habits, which are sure, sooner or later, to bring destruction upon them. Neglect of business, luxurious living, attempts at show, and false pride, are the alarming evils that lie in the path of many of the young beginners of our day, of all trades, professions, and avocations; and what lessons of caution and wisdom may we not learn from the characters, habits, and principles of the substantial men who have preceded us, and who, by slow but sure efforts, went steadily up to positions from which they had no fear of tumbling. Better to commence small, than to begin large and finally be broken down; and the entire history and experience of all the straightforward and sagacious merchants of the past, is a triumphant illustration, that industry, prudence, and honesty, are sure to ascend, in the long run, where all else may fail. Stephen Girard was once a poor sailor boy before the mast; William Gray, a humble mechanic; and Peter C. Brooks, a small-salary secretary in an insurance office; and yet they went up by their own hands, became honorable merchants, and amassed princely fortunes. They were, like all men who have made to themselves fame or fortune, hard workers and close thinkers. They "minded their own business," and, what was of infinite consequence, had no time to meddle with that of other people.

Their examples may well be imitated, for rigid mercantile integrity, and unfaltering punctuality in the performance of every obligation, by all who wish to go up in the right way.

In 1793, Mr. Carey was a most efficient member of the committee of health, with Mr. Girard and others, when the yellow fever prevailed so dreadfully in Philadelphia. Both these gentlemen were very active in their devotion to the sick. When it was found impossible, from the danger of the situation, to obtain any one to become superintendent of the hospital at Bushhill, Stephen Girard nobly stepped forward; and Mr. Carey states that Mr. G. "helped to dress the sores, and perform all the menial offices for the sick." Mr. Carey wrote a history of this dreadful calamity, giving a "full account of its rise, progress, effects, and termination." It is a thrilling narrative.

In the same year, Mr. Carey, regarding with deep commiseration the forlorn condition of many of his countrymen who came to our shores, was principally instrumental in the formation of a society, called, "The Hiber-

nian Society, for the relief of emigrants from Ireland ;" an institution which has since done much good, and is still numbered among our most beneficial societies.

While Cobbet was in Philadelphia, in 1796, some meddlesome individuals sought to embroil Mr. Carey in an angry controversy with him. In one of Cobbet's previous works, he had mentioned Mr. Carey favorably, and the meddlers were constantly throwing out insinuations that Cobbet was afraid of him. Mr. Carey addressed a note to Cobbet, early on this attempted embroilment, in which he tells him, "I have never written a line respecting you, and my determination is to pursue the same line of conduct, unless I am driven to a different course by unprovoked aggression." But it seems that the issue finally came, and a very bitter one it was. It was a newspaper and pamphlet war of some time continuance, wherein many hard things were said by both parties. Mr. Carey finally published what he termed "a Plumb Pudding for Peter Porcupine," handling his adversary without gloves. Cobbet, to turn this publication into ridicule, "sent his servant with some venison and jelly between two plates, in return for the plumb pudding," which his antagonist sent back by a stout Irish porter, with directions to throw the plates in the middle of Cobbet's store, which the Hibernian did most faithfully, and shook his fists at Cobbet into the bargain.* Subsequently, Mr. Carey issued a hudibrastic poem, the purpose of which was to show up the scurrility and abuse that found place in Cobbet's newspaper; and so ludicrously did he do this, that it had the effect to end the "tug of war." Cobbet never made any reply afterwards.

In 1802, Mr. Carey was elected by the Senate of the state a director of the bank of Pennsylvania, which station he occupied until 1805. He mentions, as a disadvantage to him from the position, the lenity shown by the other directors, whereby his debts rose extravagantly high. This evil he urges with great warmth and zeal, as the one which several times in his business-life came near bringing him to bankruptcy. "I printed and published," he declares, "above twice as many books as were necessary for the extent of my business; and, in consequence, incurred oppressive debts to banks—was laid under contribution for interest to them and to usurers, which not only swallowed up my profits, but kept me in a constant state of penury. I was in many cases shaved so close by the latter class, that they almost skinned me alive. To this cause my difficulties were nearly altogether owing, for I did a large and profitable business almost from the time I opened a bookstore."

He sets down another evil practice of his business career, which he cautions young traders to shun as they would "temporal perdition." It is that of endorsation. "In this way, in fourteen years," he writes, "I lost between thirty and forty thousand dollars; and but for this, I might have retired from business ten years earlier than I did; besides, in one of the cases of failure, I was brought to the verge of stoppage." Actuated by that expansive benevolence, which, during his whole life, was a leading trait in his character, Mr. Carey, about this time, and for some years onward, wrote and published much to try and bring about a modification of the taxes of Philadelphia. His positions were founded on the great inequality that existed between the taxes on real estate and personal property. He states an example, viz.: "Stephen Girard did not pay as much tax for all the stock of his bank, and all

* Mr. Carey did not speak of this act, in after life, in any other way, than as an unjustifiable ebullition of passion.

his bonds and mortgages, as were paid by a single ground rent of \$200." Some salutary improvements were finally made, especially so far as related to "ground rents and houses."

The next subject of public importance in which his pen became deeply engaged was, in 1810, on the question of the renewal of the charter of the Bank of the United States. He wrote a series of essays warmly advocating the renewal, and he gave much personal attention to the matter, as well at home as at the seat of the general government, which, all those who are familiar with the records of the times are aware, made him many bitter opponents; as well as many warm friends, according to the character of their views in regard to the measure in agitation.

The publication of "*The Olive Branch*" Mr. Carey regards as one of the most important events of his life. It took place in 1814. The purpose which the author had in producing it was, to "endeavor, by a candid publication of the follies and errors of both sides, to calm the embittered feeling of the political parties." The first edition was produced within the leisure time of six or seven weeks. It formed a duodecimo volume of two hundred and fifty-two pages, of which about eighty were public documents. It was sold out immediately, and the author says, "I was preparing a new edition when the thrice-welcome news of peace arrived, which I thought would render it unnecessary." But he subsequently had good reason to change that opinion, by the demands that came in; and one edition after another was prepared, each one receiving some version or addition, until, within three years and a half, ten editions were struck off, there having been over ten thousand copies sold.

The next large work he produced, was, "*The Vindiciæ Hibernicæ*," which made its appearance in 1819. His object in writing this work was, to prove, among many other positions, that, from the invasion of Ireland by Cromwell, the government of that country had been marked by almost every species of "fraud, chicanery, cruelty, and oppression;" that the Irish were, from time to time, goaded into insurrection; that they did not enjoy the free exercise of their religion; that the pretended conspiracy of 1641 was a miserable fabrication, and that the massacres, said to have been committed by the Irish in the insurrection of the same year, are unfounded in fact. There have been, and will continue to be, various opinions as to the success with which the author has made out his assumptions; but there is one thing, which every body will be very ready to admit, viz.: that the author brought great patience, perseverance, and industry, to its preparation, for he consulted not less than sixty different works, and made five hundred and ninety-six quotations. In Ireland, especially, the book received great praise, having been pronounced by the highest authorities, as "the best vindication of Ireland that was ever written."

Soon after the publication of his "*Vindication of Ireland*," he entered the lists in favor of "*The Protective System of American Industry*," and became for many years the untiring champion of that policy, in its broadest extent. He wrote a series of nine essays, which were published by a very reputable society, established in Philadelphia to aid in the encouragement of domestic industry. They were anxiously sought for by the friends of the system, and were generally copied into the newspapers north of the Potomac. Subsequently he brought forth numerous other writings, favoring the "*Protective System*," forming, in all, fifty-nine distinct publications, and embracing, in the whole, two thousand three hundred and twenty-two pages. Besides, he

GOLD COINS.

A TABLE OF GOLD COINS, the exact Weight, the Assay, and the present Value in the United States, according to the Gold Coin Bill passed by Congress during their session in 1833-4.

Names of Coins.				Names of Coins.			
weight		assay.		weight		assay.	
Value.		Value.		Value.		Value.	
dw. gr.	car. gr.	d.	c. m.	dw. gr.	car. gr.	d.	c. m.
UNITED STATES.				BOLOGNA.			
Eagle, coin'd bef.				Pistole.....	3 13	21 3½	3 32 8
July 31, 1834.	11 6	22 0	10 66 5	Pistole 1802....	3 13	21 2½	3 30 0
Coined after Ju-				½, &c. in prop.			
ly 31, 1834....	1 018	21 2 &	10 0 0	Sequin, be. 1760	2 4½	23 2	2 21 5
Shares in propor.		14-43		Sequin, si. 1760	2 4½	23 3½	2 25 0
Foreign Gold.				Scudo.....	17 0½	21 2½	15 80 4
AUSTRIA.				COLOGNE.			
Souverain.....	3 14	21 3½	3 38 7	Ducat.....	2 5½	23 2	2 26 7
Double Ducat..	4 12	23 2½	4 59 3	COLOMBIA, CEN-			
Hungarian do..	2 5½	23 3½	2 29 7	TRAL AMERICA,			
Ducat.....	2 6	23 2½	2 29 6	CHILI, & PERU.			
AUGSBURG.				Doubloons.....	17 9	20 3	15 53 5
Ducat.....	2 5½	23 1½	2 24 0	DENMARK.			
BAVARIA.				Ducat, Current.	2 0	21 0½	1 81 5
Carolin.....	6 5½	18 2	4 95 7	Ducat, Specie..	2 5½	23 2	2 26 7
Max d'or, or				Christian d'or..	4 7	21 3	4 2 1
Maximilian ..	4 4	18 1½	3 31 0	EAST INDIES.			
Ducat.....	2 5½	23 2½	2 27 5	Rupee, Bombay,			
Pistole.....	4 6½	21 2½	3 97 9	1818.....	7 11	22 0½	7 9 6
BERNE.				Rupee, Madras,			
Ducat.....	1 23	23 1½	1 97 7	1818.....	7 12	22 0	7 11 0
double in prop.				Pagoda, Star ..	2 4½	19 0	1 79 8
Pistole.....	4 21	21 2½	4 54 2	Mohur Sicca of			
BRAZIL.				Bengal.....	7 23	23 3½	8 17 6
Johannes.....	18 00	21 3½	17 6 4	ENGLAND.			
½ in proportion				*Guinea.....	5 9½	22 0	5 11 5
Dobraon.....	34 12	22 0	32 70 6	½ in proportion			
Dobra.....	18 6	22 0	17 30 1	†Sovereign....	5 3½	22 0	4 87 5
Moidore.....	6 22	22 0	6 55 7	Seven Shilling			
½ in proportion				Piece.....	1 19	22 0	1 69 8
Cusado.....	16½	21 3½	63 7	FRANCE.			
BRUNSWICK.				Double Louis,			
Pistole.....	4 21½	21 2½	4 55 2	c'd bef. 1786...	10 11	21 2	9 68 8
double in prop.				Louis, do.....	5 5½	21 2	4 84 3
Ducat.....	2 5½	23 0½	2 23 1	Double Louis,			
Carl d'or b. 1802	4 6½	21 2½	3 97 9	c'd sin. 1786..	9 20	21 2½	9 16 2
double in prop.				Louis, do.....	4 22	21 2½	4 58 1
Carl d'or si. 1802	4 6½	21 1½	3 93 3	Dbl. Napoleon,			
BADEN.				or 40 francs...	8 7	21 2½	7 70 3
Ducat.....	1 23½	23 2½	2 2 0	Napoleon, or 20			
BASIL.				francs.....	4 3½	21 2½	3 85 1
Ducat.....	2 4½	22 0	2 7 3	Same as the new			
Pistole.....	4 22	21 1½	4 52 8	Louis.			

* Guineas, when received in this country, are almost invariably one grain light, and, therefore, the real value of them is \$5 07½.

† A Sovereign, when received from the Mint, weighs 5 dwt. 3½ grains, but nine tenths of those brought to this country do not weigh more than 5 dwt. 2½ grains. The average value of each Sovereign is \$4 85; of course, those which are of full weight are worth the price stated above.

Table of Gold Coins—continued.

<i>Names of Coins.</i>	<i>weight</i>		<i>assay.</i>	<i>Value.</i>		<i>Names of Coins.</i>	<i>weight</i>		<i>assay.</i>	<i>Value.</i>	
	<i>dw. gr.</i>	<i>car. gr.</i>		<i>d.</i>	<i>c. m.</i>		<i>dw. gr.</i>	<i>car. gr.</i>		<i>d.</i>	<i>c. m.</i>
FRANKFORT ON THE MAINE.						MANHEIM.					
Ducat.....	2	5½	23	2½	2 27 9	Carolin.....	6	4½	18	2	4 93 2
FLANDERS.						½ & ½ in prop.					
same as Austria						Pistole.....	4	6½	21	2½	3 97 9
FLORENCE.						Ducat.....	2	5½	23	2½	2 27 3
same as Tuscany						MENTZ.					
GENEVA.						Ducat.....	2	5½	23	2½	2 27 9
Pistole, old....	4	7½	21	2	3 98 5	MALTA.					
Pistole, new....	3	15½	21	3½	3 44 6	Double Louis..	10	16	20	0½	9 27 8
GENOA.						Louis.....	5	8	20	1	4 65 3
Sequin.....	2	5½	23	3½	2 30 2	Demi Louis...	2	16	20	1½	2 34 8
Pistole.....	4	7½	21	2½	4 1 8	MEXICO.					
New Genovina, or four Pistole piece of the Li- gurian Repub.	16	4	21	3½	15 23 8	Doubloons.....	17	9	20	3	15 53 5
Genovina of 100 lire.....	18	3	21	3	16 98 6	shares in prop.					
½ in propor.						MILAN.					
New Genovina, of 48 lire....	8	2	21	3½	7 61 9	Sequin.....	2	5½	23	3	2 29 1
½ & ½ in prop.						Doppia or Pis- tole.....	4	1½	21	3	3 80 7
HAMBURG.						Forty Lire piece 1808.....	8	8	21	2½	7 74 2
Ducat.....	2	5½	23	2½	2 27 9	NAPLES.					
Double in pro.						Six Ducat Piece 1783.....	5	16	21	1½	5 24 9
HANOVER.						Two Ducat, or Sequin, 1762..	1	20½	20	1½	1 61 3
Double George d'or,.....	8	13	21	1½	7 87 9	Three Ducat, or Oncetta, 1818.	2	10½	23	3½	2 49 6
single in prop.						Six Ducat Piece 1752.....	5	16	20	3½	5 11 2
Ducat.....	2	5½	23	3½	2 29 7	Six Ducat Piece 1767 and 1772.	5	18	20	1½	5 3 2
Gold Florin....	2	2	18	3½	1 69 4	Four Ducat Pce or Pistole 1752.	3	18½	20	3½	3 41 5
double in prop.						Four Ducat Pce 1767 and 1770.	3	18½	20	1½	3 30 9
HOLLAND.						NETHERLANDS.					
Double Ryder..	12	21	22	0	12 20 5	Gold Lion, or 14 Florin Piece..	5	7½	22	0	5 4 6
Ryder.....	6	9	22	0	6 4 3	Ten Florin Pce, 1820.....	4	7½	21	2½	4 1 6
Ducat.....	2	5½	23	2½	2 27 5	Souverain, same as Austria.					
10 Guilder Pce..	4	7½	21	2½	4 1 6	NUREMBERG.					
½ in proportion						Ducat.....	2	5½	23	2	2 26 7
Half Ryder....	3	4½	22	0	3 2 1	double in prop.					
HESSE CASSEL.						PERSIA.					
Pistole.....	4	7½	21	1½	3 96 2	same as E. Indies					
Wm. d'or, 1815	4	6½	21	2½	3 96 8	PARMA.					
HESSE DARMSTADT						Quadruple Pis- tole.....	18	9	21	0	16 62 7
Carolin.....	3	3	18	2	2 49 1	double in pro- portion.					
Ducat.....	2	5½	23	3	2 26 7	Pistole or Dop- pia, 1787.....	4	14	21	1	4 19 6
JAPAN.						Pistole or Dop- pia, 1796.....	4	14	20	3½	4 13 5
same as E. Indies						Maria Theresa, 1818.....	4	3½	21	2½	3 85 1
LEGHORN.											
same as Tuscany											
LEIPSIK.											
same as Saxony											
LIEGE.											
Ducat.....	2	5½	23	1½	2 24 5						
LORRRAINE.											
Leopold.....	7	5½	21	3	6 78 4						
Francis.....	4	7½	21	3	4 1 9						
LUCCA.											
Pistole.....	3	13½	21	3½	3 34 9						

Table of Gold Coins—continued.

<i>Names of Coins.</i>	<i>weight.</i>	<i>assay.</i>	<i>Value.</i>	<i>Names of Coins.</i>	<i>weight.</i>	<i>assay.</i>	<i>Value.</i>
	<i>dw. gr.</i>	<i>car. gr.</i>	<i>d. c. m.</i>		<i>dw. gr.</i>	<i>car. gr.</i>	<i>d. c. m.</i>
PIEDMONT.				RUSSIA.			
Pistole, coined since 1785....	5 20	21 2½	5 41 2	Ducat, 1796....	2 6	23 2½	2 29 0
¾ in proportion.				Ducat, 1763....	2 5½	23 2	2 26 7
Sequin.....	2 5½	23 2½	2 27 9	Gold Ruble 1756	1 0½	22 0	96 7
¾ in proportion.				Gold Ruble 1799	18½	21 3½	73 7
Carlino, coined since 1785....	29 6	21 2½	27 33 4	Gold Poltin 1777	9	22 0	35 5
¾ in proportion.				Imperial, 1801..	7 17½	23 2½	7 83 6
Pce of 20 Francs call'd Marengo	4 3½	20 0	3 56 4	Half Imperial, 1801.....	3 20½	23 2½	3 91 3
Pistole or Doppia, 1741 to 1785.....	6 4½	21 2½	5 78 2	Half Imperial, 1818.....	4 3½	23 0½	3 94 2
Carlino, coined before 1785....	31 0½	21 2½	28 90 5	Ducat, 1751....	2 5	23 1½	2 21 8
POLAND.				Double Ducat of St. Andrew, 1756.....	4 10	23 2½	4 49 6
Ducat.....	2 5½	23 2½	2 27 9	Half Ducat of 1785.....	1 14½	21 3½	1 51 2
PORTUGAL.				Imperial, coined before 1763....	10 16	22 0	10 11 2
Dobraon.....	34 12	22 0	32 70 6	Imperial, coined in 1763.....	8 9½	22 0	7 95 9
Dobra.....	18 6	22 0	17 30 1	Imperial, coined in 1772.....	8 11	21 3½	7 99 5
Johannes.....	18 0	21 3½	17 6 4	Half Imperial, coined in 1780.	4 2½	21 3½	3 87 9
Moidore.....	6 22	22 0	6 55 7	RATISBON.			
¾ in propor.				4 Ducat Piece..	8 21	23 2	8 96 6
Piece of 16 Testoons, or 1600 Rees.....	2 6	21 2½	2 12 1	SARDINIA.			
Old Crusado of 400 Rees.....	0 15	21 3½	58 8	Carlino.....	10 7½	21 1½	9 47 0
New Crusado of 480 Rees.....	0 16½	21 3½	63 7	¾ in propor.			
Milree, coined in 1755.....	0 19½	22 0	78 0	Doppietta.....	2 1½	21 1½	1 88 4
New Dobra....	17 6	22 0	16 35 3	SAXONY.			
Joannese.....	9 6½	21 3½	8 76 3	Ducat, 1784....	2 5½	23 2	2 26 7
double in pro.				Ducat, 1797....	2 5½	23 2½	2 27 9
half in propor.				Augustus, 1754.	4 6½	21 1½	3 92 7
Piece of 12 Testoons, or 1200 Rees.....	1 16½	21 3½	1 57 4	Augustus, 1794.	4 6½	21 2½	3 97 4
Piece of 8 Testoons, or 800 Rees.....	1 4½	21 3½	1 12 0	SICILY.			
PRUSSIA.				Ounce, 1751....	2 20½	20 1½	2 50 5
Ducat, 1748....	2 5½	23 2½	2 27 9	Double Ounce, 1758.....	5 17	20 2	5 4 2
Ducat, 1787....	2 5½	23 2	2 26 7	Ounce, 1734....	2 20½	21 1½	2 63 6
Frederick, double, 1769.....	8 14	21 2½	7 97 5	Ounce, 1741....	2 20½	21 1	2 61 3
Frederick, double, 1800.....	8 14	21 2	7 95 1	SPAIN.			
Frederick, single, 1778.....	4 7	21 2½	3 99 9	Quadruple Pistole, 1772.....	17 8½	21 2½	16 2 8
Frederick, single, 1800.....	4 7	21 2	3 97 5	Double and single, and shares, in proportion.			
ROME.				Doubloon.	17 9	20 3	15 53 5
Sequin, sin. 1760	2 4½	23 3½	2 25 0	Pistole.....	4 8½	20 3	3 26 4
Scudo of Rep'lic	17 0½	21 2½	15 80 4	Coronilla, Gold Dollar, or Vintem, 1801.....	1 3	20 1½	96 3
Others same as Bologna.				ST. GALL.			
				Ducat.....	21 20½	22 3	21 2 7
				SALTZBURG.			
				Ducat.....	2 5½	23 2	2 26 7
				SWEDEN.			
				Ducat.....	2 5	23 2	2 23 6

Table of Gold Coins—continued.

<i>Names of Coins.</i>	<i>weight</i>	<i>assay.</i>	<i>Value.</i>	<i>Names of Coins.</i>	<i>weight</i>	<i>assay.</i>	<i>Value.</i>
	<i>dwt.gr.</i>	<i>car.gr.</i>	<i>d. c. m.</i>		<i>dwt.gr.</i>	<i>car.gr.</i>	<i>d. c. m.</i>
SWITZERLAND.				TURKEY, (cont.)			
Pistole of Hel- vetic Republic, 1800.....	4 21½	21 2½	4 56 1	Sequin Mahbub of 1789.....	1 12	19 1	1 24 4
Ducat of Lu- cerne.....	2 5½	23 2	2 26 7	Sequin of Cairo of 1773.....	1 15½	18 3½	1 33 0
Double Ducat of Lucerne....	4 11½	21 0	4 3 4	Sequin of Cairo of 1789.....	1 15½	16 1½	1 15 3
Ducat, Schwitz.	2 5	22 2	2 14 1	TUSCANY.			
Ducat, St. Gall.	2 5½	22 3	2 19 6	Zeechino, or Se- quin.....	2 5½	23 3½	2 30 9
Ducat, Uri.....	2 5	23 1	2 21 2	Ruspone of the kingdom of Etruria.....	6 17½	23 3½	6 93 8
Five Ducat Pce of Lucerne....	11 3	21 3	10 42 6	VENICE.			
Pistole, Lucerne	4 21½	21 2½	4 56 1	Zeechino, or Se- quin.....	2 6	23 3½	2 31 0
Pistole, Soleure.	4 22	21 2½	4 56 8	Shares in prop. Doppia or Pis- tole.....	4 8	21 3	4 6 1
TREVES.				Scudo d'oro, or Gold Crown..	26 23	23 3½	27 73 3
Ducat.....	2 5½	23 2	2 26 7	Ducato d'oro, or Gold Ducat...	1 9½	23 3½	1 43 5
TURKEY.				Osella d'oro....	8 23½	23 3½	9 23 7
Sequin fonducli of Constanti- nople, 1773...	2 5½	19 1½	1 86 8	WIRTEMBERG.			
Sequin fonducli of Constanti- nople, 1789...	2 5½	19 0½	1 84 8	Carolin.....	6 3½	18 2	4 89 8
Half Misseir, 1818.....	18½	16 0½	52 1	Ducat.....	2 5	23 2	2 23 6
Sequin fonducli	2 5	19 1	1 83 1	WURTZBURG.			
Yermeshlek.	3 1½	22 3½	3 2 8	Ducat.....	2 5½	23 2	2 26 7
Rubieh.....	12½	19 0½	43 0	ZURICH.			
Double Sequin, Mahbub of 1733.....	3 4½	23 0	3 15 9	Ducat.....	2 5½	23 2	2 26 7
				double and half in proportion.			

The following is the standard value of GOLD, according to an act of Congress passed in 1804:

AMERICAN, (coined before July 31st, 1834,) is valued at 94 8-10 cts. to the dwt., or 25 6-20 grs. to the dollar. Coined after July 31st, 1834, at 93 cts. to the dwt., or 25½ grs. to the dollar.

ENGLISH, BRAZILIAN, and PORTUGUESE—94 8-10 cts. to the dwt., (when 22 carat,) or 25 6-20 grs. to the dollar.

FRENCH—93 1-10 cts. to the dwt., (when 21 car. 2 4-10 grs.,) or 25 3-4 grains to the dollar.

SPANISH, MEXICAN, and COLOMBIAN—89 9-10 cts. to the dwt., (when 20 car. 3 7-16 grs.,) or 26 7-10 grs. to the dollar.

The above are the only descriptions of Gold that are a legal tender in the United States. All other kinds are sold at a certain rate per dwt., according to purity.

PURE GOLD.—The contents in pure Gold can be ascertained by the following rule. An Eagle of the late law should weigh 258 grs. or 10 dwts. 18 grs.; the assay is 21 car. 2 14-43 grs.

Therefore, as $\begin{matrix} \text{car.} & \text{car.} & \text{grs.} & \text{grs.} & \text{grs.} \\ 24 & : & 21 & 2 & 14-43 \end{matrix} :: 258 : 232 \text{ pure.}$

$\begin{array}{r} 4 \\ 96 \\ 43 \\ \hline 4128 \end{array} \quad \begin{array}{r} 4 \\ 86 \\ 43 \\ \hline 3712 \\ 258 \\ \hline 4128)957696(232 \text{ grs.} \end{array}$

BANK STATISTICS.

JOINT-STOCK BANKS IN ENGLAND.

A return has been published on the subject of joint-stock banks, for the three years ending 1838. It appears that the increase in the number of these establishments in England was extremely rapid in 1836. In that year it received a check, and on the 1st of January, 1839, the number was less by three than in January, 1838 — The whole number of joint-stock banks in England at 1st January last was 108. Of these 11 were established between 1826 and 1829, both inclusive. There were 22 established in the five years from 1830 to 1834. No less than 67 were established in 1835 and 1836. There were 7 established in 1837, and 1 in 1838. The number of partners varies from 50 to 1,200, and may average about 300. There are half a dozen with less than fifty partners, the smallest number being seven. Fifty-eight of the banks have branches, and fifty have none. The branches, including the parent bank, are from two to sixty-seven in number. There are eight banks which have more than twenty branches. The whole number of parent banks and branches is 668. There are besides about 550 private banks in England, that is, banks having no more than six partners. Adding these to the joint-stock banks and their branches, the whole number of banking establishments will be about 1,200. According to the last return, dated 2d August, the notes in circulation of all the joint-stock banks were in value £4,665,110. This, divided by the number of banks (108,) gives an average circulation of only £43,200 for each; or, if we include the branches, the average for each office, or establishment, is only £8,000. Supposing the money to be employed in discounting at five per cent., the annual profit on £4,665,000 would be only £230,000, or no more than £350 to each establishment. It is evident that their profits must be chiefly derived from deposits, which they can employ at five per cent., while, we believe, they give only two. The issues of the private banks, by the same return, were £7,610,700, which gives an average of about £14,000 for each establishment. It appears that the joint-stock banks, so far from superseding the private banks, have had but a very slight effect in narrowing their issues.

BANKS OF MISSISSIPPI.

In 1830 there was but a single bank in Mississippi, with the exception of the Branch Bank of the United States, with a capital of \$350,000. During the session of the legislature that year, the Planter's Bank was incorporated, with a capital of \$3,000,000. In 1833 was incorporated the Western Feliciana Railroad and Banking Company, capital \$1,000,000; the Vicksburg Railroad, capital \$3,000,000; and the Grand Gulf Railroad, capital \$2,000,000. In 1836 the following institutions were created: Mississippi Railroad, capital \$8,000,000; Commercial Bank of Rodney, \$800,000; Commercial Bank of Columbus, \$1,000,000; Tombigbee Railroad, \$2,000,000; Aberdeen and Pontotoc, \$1,000,000; Commercial Bank of Manchester, \$1,000,000; Agricultural Bank of Mississippi, \$600,000; Commercial Bank of Natchez, \$3,000,000; Brandon Bank, \$1,000,000; forming an augmentation of banking capital of \$22,400,000. In 1837 were incorporated the Port Gibson Bank, \$1,000,000; Vicksburg Bank, \$3,000,000; Vicksburg Water-works, \$500,000; Northern Bank of Mississippi, \$2,000,000; Hernando Railroad, \$1,000,000; Bank of Grenada, \$1,000,000; Bank of Lexington, \$8,000,000; Benton and Manchester Railroad, \$1,000,000; making an increase of \$10,300,000. In 1838 the mammoth Union Bank was incorporated, with a capital of \$15,500,000.

To recapitulate:

Banking capital in 1830	\$3,000,000
Increase in 1833	7,000,000
“ “ 1836	22,400,000
“ “ 1837	10,300,000
“ “ 1838	15,500,000
	60,200,000
Add to this sum the capital of institutions not chartered, based upon real estate	15,000,000
Total	75,200,000

COMMERCIAL REGULATIONS AND TREATIES.

REGULATIONS AT ANTWERP.

THE following important act has recently emanated from the Finance Department at Brussels. By this act it will be observed, all masters of vessels destined for Antwerp will be required to make the first declaration, or entry of their cargoes, at Lillo, where the Belgian government has established a frontier custom house. In case a vessel's cargo when landed exceeds the quantity stated on manifest, a port entry of such excess will not be allowed to be made at the custom house, and in case of a deficiency, an explanatory declaration on the part of the master or consignee will not be received, but in either case the payment of a heavy fine will be imposed on the vessel.

Instructions for the Captains of sea ships destined for the port of Antwerp.

§ 1. The first declaration on entering from the sea must be made at the office custom house at Lillo;

§ 2. The said declaration may consist in the single remittance of the manifesto or bill's of lading.

§ 3. If the Captain wishes to avoid going on shore, he may deliver up his manifesto or bills of lading to the officer of the custom house, who is appointed to place attendants on board of the ships.

§ 4. When the Captain does not go on shore, he must state up the manifesto, or by a separate declaration in what consist ship's stores.

§ 5. After the Custom House Officers are on board, and in some cases, after leading and sealing down the hatches, the Captain may pursue his course to Antwerp.

§ 6. At his departure from Antwerp for sea, the Captain must remit at the Custom House Officer of Lillo the documents of the Custom House of which he is bearer.

§ 7. These documents may be delivered up to the Custom House Officer charged to relieve the convoy.

§ 8. If after inquiry, no suspicion of fraud arise, the Captain may follow his course to the sea.

L. DESMAISIERES, Minister of Finance.

Brussels, July 30, 1839.

RUSSIAN QUARANTINE REGULATIONS.

The Envoy of the Emperor of Russia has communicated to the Department of State, the following notice to vessels trading to the Russian ports on the Baltic.

The Imperial Government having received the most satisfactory information with regard to the means employed for the purification of vessels and goods in the English quarantine establishments at Stangate Creek, Milford Haven, and Mother Bank, near Portsmouth, has determined that henceforward all vessels with their cargoes of suspected goods which may have been purified in either of those three establishments, should be admitted into the Russian ports on the Baltic, on presenting a certificate proving that they have been there purified, without undergoing any other quarantine. They will, however, continue to obtain an attestation to the same effect from the Danish quarantine establishments.

WHAMPOA PORT CHARGES.

Pilotage, inward and outward.....	\$120
(Linguist's and Comprador's fees vary on ships of different nations.)	
English country ships pay for Comprador.....	50
.. .. for Linguist's fees.....	173
Cumsha, on French vessels, 1,680 taels.	
.. .. on other vessels, 1,000 taels, or	2,223
Charged alike on all vessels, large or small.....	\$2,566

Extra Charges imposed by the Consoo, on the 24th of August, 1838, for the purpose of meeting the necessary expenses.

One mace on every pecul of goods composing the cargo.

On country ships	\$700
On large ships, (formerly belonging to the E. I. Company,).....	1000
On American ships.....	700
The sum of \$1,189½ on rice ships, includes all other custom-house charges.	

By a conclusion of the Committee of the General Chamber of Commerce, the sum paid to the Hoppo on rice laden ships, should be considered a charge on the vessel, not on the rice. \$939 50
And that the sum paid to the Linguist should also be charged to the ship. 250 00

Total charges on ship \$1189 50
And that all other charges should fall on the rice.

Measurement is charged at three different rates, according to the product arising from multiplying the length between the mizen and foremasts by the breadth at the gangway, and dividing the product by 10.

The first class, of which the product so arising is not less than 1600 covids or 1950 feet, pays 0.7874755 taels per cavid, or, about \$0.8974 per foot.

Second class, above 1200 covids, or 1462½ feet, pays 0.7221031 taels per cavid, or, about \$0.8229 per foot.

Third class, 1200 covids and under, pays 0.5062341 taels per cavid, or, about \$0.5229 per foot.

When the consignee of a ship has no share of her import or export cargo under his management, the Hong merchants usually demand \$600 or \$700, to defray the charges on securing her.

MACAO IMPORT DUTIES.

Goods imported into Macao, pay a duty of six per cent. on a fixed valuation. The valuation of, and the duty on, the undermentioned goods, are,

	Valuation.		Duty.	
		taels	taels	
Betel nut, Gambier, and Rattans, per pecul,		1.2000	0072	
Bicho de mar "		40.000	2.400	
Birds' nests, first sort per catty		22.400	1.344	
Broadcloth, fine per cavid		2.400	.144	
" middling "		1.600	.96	
" better than ordinary ..... " .....		.800	.48	
" coarse ..... " .....		.480	.28	
Camlets ..... " .....		.230	.16	
Camphor, Malay, first sort per catty		18.400	1.104	
Cardamoms, Cochinchina, & Mace... per pecul		160.000	9.600	
Cloves, Moluccas "		22.400	1.344	
" Bourbon. "		17.600	1.056	
Cochineal. per catty		1.920	.115	
Coral fragments, 1st sort per pecul		64.000	3.849	
Cotton and Pepper "		4.000	.240	
" yarn and M. O'P. shells. "		8.000	.400	
Dragon's blood and Tobacco leaf "		12.800	.768	
Elephants' teeth, 1 to 12 to a pecul "		56.000	3.360	
Ginseng, American "		28.800	1.728	
Indigo, 1st sort "		45.600	2.736	
Lead in bars and Spelter "		2.400	.144	
Lead in sheets. "		4.800	.288	
Myrrh, 1st sort "		12.000	.720	
Putchuck. "		6.400	.384	
Quicksilver "		36.000	2.160	
Saltpetre, Bengal. "		4.000	.240	
" Coast of Goa. "		1.600	.96	
Sandal wood, Malabar, 1st sort. "		11.520	.691	
" Sandwich Islands "		8.000	.480	
Tin, Europe. "		5.600	.336	
Tortoise shell, 1st sort "		460.000	27.600	
Opium, imported in Portuguese ships, per chest.			\$104	
" " in foreign ships, per chest.			15	
Gold and Silver, in coin, bullion, or plate 2 per cent.				
" " " in Spanish vessels from Manilla. 1½ "				

Pearls, Seed Pearls, Fine Corals, Diamonds, and other precious stones, in conformity to the tariff of 1804 2 "

The Portuguese government does not levy any duties on goods exported from Macao. The calculations are deduced from the pecul of 100 catties, equal to 33½ arrateis, or custom-house pounds, 100 arrateis = 75 catties.

NAVIGATION.

NORTH AMERICAN MAILS — CUNARD'S CONTRACT.

The government of Great Britain has entered into a formal contract with one of its citizens, for the regular conveyance of the mails from Liverpool to Halifax, and from thence to Boston, and, at all seasons when the St. Lawrence is unobstructed by ice, from Pictou, in Nova Scotia, to Quebec, and thence back. Under an order of the House of Commons, the contract of the government with Mr. Cunard has been printed, and the terms of the contract are briefly stated below. As commercial men are more deeply interested than all others in every improvement which increases the facility, regularity, and certainty of our communication with Europe, we publish the following summary of Mr. Cunard's contract.

It stipulates that the mails shall be dispatched twice every month from Liverpool to Halifax, and twice every month from Halifax to Liverpool. For executing this service, Mr. Cunard is to provide and keep a sufficient number of good and efficient steam vessels, furnished with engines of not less than three hundred horses' power. Mr. Cunard also undertakes to convey the mails and dispatches twice every calendar month to Boston from Halifax, and to Halifax from Boston, and when the St. Lawrence is unobstructed by ice, from Pictou, in Nova Scotia, to Quebec, and from Quebec to Pictou, by good and substantial steam vessels, provided with engines of not less than one hundred and fifty horses' power. The contract is very specific as to those vessels being properly found, and provided with a sufficient crew of able seamen. The commissioners of the admiralty are to appoint the two days in each month when the steamers are to leave Liverpool and Halifax respectively, and they are to proceed, without loss of time, direct to the end of their voyage. The dispatch of the mail from Halifax for Boston is to take place as soon as possible after the arrival of the mail at Halifax, which is likewise to be the case with the Quebec mail after the mail has reached Pictou. The commissioners may also alter the days of sailing at their pleasure, but they must give three months' notice. At the same time they may always delay the departure of the vessel for not more than twenty-four hours.

If at any time, from stress of weather or other unavoidable circumstances, the vessel should be unable to reach the Mersey, the naval officer in charge of the mails or dispatches may order the mails to be landed at Bristol, Falmouth, Plymouth, Southampton, Portsmouth, Dover, or Deal. For the naval officer, who is to be sent in charge of the mails and dispatches, the contractor is to provide a suitable first-rate cabin, and suitable accommodation for a servant, and is to victual the officer like a cabin passenger. If the admiralty please to entrust the mails to the captain of any of the vessels, it is authorized to do so, and the captain will be bound to take charge of them. A boat of not less than four oars is to be provided for landing the officer and the mails. Any stoppage, delay, or putting back into port, not sanctioned by the naval officer, will be subject to a fine of £100, and a delay of twelve hours in not proceeding on a voyage from either Liverpool or Halifax after the appointed time, subjects the contractor to a fine of £500, as well as a further fine of £500 for every additional twelve hours' delay. A similar delay in the smaller vessels carrying the mails from Halifax to Boston will be subject to a fine of £200.

Not less than four of the large steam boats for the voyage across the Atlantic are to be always kept sea-worthy and in complete repair; the number of the smaller ones is not stipulated. The contractor binds himself to introduce and adopt all improvements directed by the admiralty or suggested by the progress of science. To secure the goodness of the vessels, the naval officer in charge of the mails, calling other persons to his assistance, has full power and authority to survey and examine the vessel whenever he shall think fit; and repairs which he shall direct in writing, must be made as soon as possible, under a penalty of £100. The lords of the admiralty, also, reserve to themselves a power to survey the vessels and to order any improvements to be made in them which they think expedient, and the contractor must carry those improvements into effect to the satisfaction of the admiralty, or forfeit £500. All these fines and penalties may be stopped out of the money to be paid to the contractor by the Admiralty.

In addition, the contractor is to carry, if required, two chief cabin passengers, from Liverpool to Halifax, or Halifax to Liverpool, for £30 each, and two fore-cabin passengers at the rate of £15 each; and each seaman, soldier, or marine, at £4. The price to be charged for such passengers from Halifax to Boston, or from Pictou to Quebec, is to be, respectively, £5, £3, and £2. Moreover, the contractor is to take on board, and carry, free of charge, all small packages, directed by the commissioners; and na-

val stores not exceeding five tons weight, on receiving two days' notice that such stores are to be sent.

In return for all these services, and maintaining all these vessels, the admiralty agrees to pay to Mr. Cunard £60,000 per annum in quarterly payments. The contract is to commence on June 1st, 1840, or an earlier day if so agreed on, and to continue in force for seven years from the commencement, and thenceforward until twelve calendar months' notice, in writing, shall be given by either party.

No part of the contract is to be underlet, and no member of parliament, agreeably to act of parliament, is to have a share of it. The whole concludes by Cunard binding himself in a penalty of £15,000 to fulfil his part of the contract.

CHAIN CABLES.

A writer under the signature of "an Old Shipper," has published in the New Bedford Mercury the following table of the strength of chains made of the best *Lowmoor iron*. It will be seen by this table, that an inch bar of round iron breaks at a pressure of seventeen tons; made into chain, twenty-nine tons break it; and, by the government regulation, it is proved by a pressure of sixteen tons. The test to which they are submitted, is a hydraulic press, of a steady, gradually increasing power. A sudden jerk or strain, like the motion of a ship in a short sea, is a severe trial to a cable. In such a case, they will often break with much less strain than the tabular number. The floating light ship of Liverpool is one hundred and twenty tons, has very short masts, no yards, and is moored with two 1½ inch chains, of one hundred and twenty fathoms each. In the gale of the 6th of January, 1839, both her chains were broken, she was compelled to desert her post, and, in consequence of her absence, many lives and several fine ships, among them the *Pennsylvania*, were totally lost.

<i>Size of Iron.</i>	<i>Breaks when in Bars.</i>	<i>Breaks when made into Chains.</i>	<i>Proved by a stress of</i>
2 1-8	at 80 tons pressure.	at 138 tons pressure.	72 tons.
2	69 " "	120 " "	64
1 7-8	59 " "	103 " "	56
1 3-4	51 " "	88 " "	48
1 5-8	43 " "	73 " "	42
1 1-2	37 " "	63 " "	36
1 3-8	31 " "	53 " "	30
1 1-4	26 " "	44 " "	25
1 1-8	21 " "	36 " "	20
1	17 " "	29 " "	16
0 15-16	14 " "	24 " "	14
0 7-8	12 " "	21 " "	12
0 13-16	10 " "	17 " "	10½
0 3-4	9 " "	16 " "	9
0 11-16	8 " "	14 " "	7½
0 5-8	7 " "	12 " "	6
0 9-16	5½ " "	10 " "	5
0 1-2	4½ " "	7½ " "	4

FRENCH TRADE.

Habits of piracy and fraud have been introduced into French commerce, says the *Courier Francais*, once famed for its honesty. M. Duchatel, when Commerce Minister, was obliged to denounce in a public circular the shameful tricks practised by French traders in South America. A short time since, the Bordeaux papers published a letter from Martinique, complaining of the way in which the flour sent from France was adulterated. The English may buy our wines at Bordeaux and supplant French wine-merchants not only abroad, since it is known that French manufacturers send cloth without solidity, and fraudulent measure. Everywhere and in every branch French reputation is discredited by greedy men, anxious merely for momentary gain. France keeps only the commerce of mode and fashions. The speech of the President of the Tribunal of Commerce proves how low commerce is fallen. The dividends in bankruptcies have been but 15 per cent., on an average, for the last two years. In 496 bankruptcies the primitive capital was not more than six millions of francs, or 240l. per individual; whilst the debts incurred amounted to forty millions of francs. Thus the average that each of these persons, with a capital of 6,000 francs, continued to spend, was 11,300 francs each year, for six years.

MISSISSIPPI STEAMBOATS.

In one of the late numbers of the "Ladies' Companion," — a literary periodical, whose elevated tone confers honor upon the literature of our country, and which often diversifies its lighter and more entertaining contents with valuable information, — we find the following statistics of the steamboat navigation of the Mississippi:

"A steamboat of three hundred and twenty-five tons, costs, when completely fitted out, from forty to fifty thousand dollars. A boat of this tonnage will carry five hundred tons down stream. It will carry fifteen hundred bales of cotton on deck. From Memphis to New Orleans, the freight of cotton is two dollars per bale; from Vicksburg and vicinity, one and a half; all points between Natchez, one dollar. The furnaces consume twenty-four cords of wood a day, for which from three to four dollars a cord is paid. The price of wood is increasing every year, and is higher in Lower than in Upper Mississippi. The charge for freight is, from New Orleans to St. Louis, on groceries and heavy articles, seventy-five cents per hundred; from New Orleans to Louisville, fifty cents. There are a greater number of boats in the latter trade, and therefore the competition is closer. The expenses, which also show the number of officers and employees, of the steamer above mentioned, are as follows:

Cost of the boat.	\$40,000
Captain's salary, per month	150 00
Clerk's salary, per month.....	130 00
Two pilots, each \$200 per month.	400 00
First mate, per month.	80 00
Second mate, per month.....	55 00
Two engineers, \$100 each, per month.....	200 00
Eight deck hands, \$40 each, per month.....	320 00
Sixteen firemen, \$35 each, per month.....	560 00
Steward, \$60 per month.	60 00
Two cooks, at \$50 each, per month.....	100 00
Cabin boys, waiters, and chambermaids, altogether, per month	200 00

Total amount of wages per month.....\$2,255 00

The daily expenses of the boat for wood, are ninety-five dollars; and we have, besides, to consider the cost of the table.

It will be seen by the above list of expenses, that the original cost, outfit, and maintenance of a steamer, are very great; and no fact of greater force than this, can be advanced to prove the extent of that trade, which can employ five hundred such boats, and these constantly making money for their owners. Some boats pay for themselves during the first year. As they are constructed lightly, compared with ships, they do not last long, and a boat that has been running five years is considered old; indeed, five years, with the constant wear and tear they meet with, is sufficient to render them unfit for farther use.

RATES OF PILOTAGE ESTABLISHED BY THE BAHAMA LEGISLATURE.

Information has been communicated to the Department of State, at Washington, by the acting consul of the United States at Turk's Island, of an act of the Bahama Legislature, passed 21st of June, 1839, (in force for five years,) establishing the rates of pilotage.

For every vessel anchored opposite the towns of Grand or Salt Key,	
From 50 to 100 tons.....	\$1 50
100 to 150 tons.....	2 00
150 to 200 tons.....	3 50
200 to 300 tons, and upwards.	4 00
For every vessel anchored at the Riding Place,	
From 50 to 100 tons.....	\$2 00
100 to 150 tons.....	2 50
150 to 200 tons.....	4 00
200 to 300 tons, and upwards.....	5 00
For every vessel conducted through the reef into the Hawk's Nest,	
From 50 to 100 tons.....	\$2 50
100 to 150 tons.....	5 00
150 to 200 tons.....	7 00
200 to 300 tons.....	9 00
300 tons, and upwards.....	13 00

The eighth clause gives to the pilot acting as Harbor Master, in the removal of vessels, "a fee equal to a moiety of the fee for the pilotage of any ship or other vessel."

COMMERCIAL STATISTICS.**COMMERCE OF SOUTH CAROLINA, FROM 1789 TO 1838.****• Ending September 30.****[From Hazard's U. S. Register.**

STATEMENT OF TEA EXPORTED INTO THE UNITED STATES IN THE SEASON OF 1838-39.

[illegible]

MERCANTILE MISCELLANIES.

NEW YORK MERCANTILE LIBRARY ASSOCIATION.

Below we present the prospectus of the lectures to be delivered before the Association the ensuing season, commencing on the 1st of November, and concluding on the 24th of March next. We congratulate the members on the rich intellectual treat in store for them. The subjects are judiciously selected, and will be treated in a masterly manner by the able men to whom the duty is entrusted. It will be seen that the list comprises some of our best scholars and professional gentlemen. We entertain so high a respect for the worth and abilities of the whole, that we cannot take a single exception to them. They form a bright galaxy, such as is seldom presented to the lovers of science and literature. Much credit is due to the president and directors for their liberality and judgment in securing the services of so many eminent literary gentlemen, who by their talents and the great diversity of subjects cannot fail to make this the most interesting course that has ever been given. It is truly gratifying to witness the continued exertions of this meritorious institution, in constantly affording additional sources of improvement to its members, now, we believe, exceeding 5000 in number.

First Course.

Introductory Lecture, Friday, November 1st, 1839, by Professor Denison Olmsted.

On the Atmosphere and its Phenomena, ten Lectures, by Professor Denison Olmsted.

1. Moral Influence of the Literature of the last and present Centuries—2. On the Battle of Bunker Hill, two Lectures, by the Hon. Alexander H. Everett.

On the Moral Philosophy of Human Life, two Lectures, by Orville Dewey, D. D.

On the Accordance of Geology with the Mosaic Record of the "Six Days," one Lecture, by the Rev. Thomas C. Levins.

On the Constitution of the United States, two Lectures, by the Hon. Benjamin F. Butler.

On Schiller, six Lectures, by the Rev. Charles Follen.

On Transcendentalism, one Lecture, by the Rev. Henry W. Bellows.

Second Course.

Introductory Lecture, Monday, Jan. 20th, 1840, by Charles Constantine Pise, D. D.

On the Principles of Credit, one Lecture, by C. Francis Adams, Esq.

On Music, two Lectures, by Samuel Ward, Jr. Esq.

On Henry Grattan, two Lectures, by the Rev. Thomas C. Levins.

On the Chemistry of Nature, ten Lectures, by John Torrey, M. D.

On Education, two Lectures, by the Hon. Horace Mann.

On the Philosophy of History, three Lectures, by Ralph Waldo Emerson.

On Meteoric Stones, two Lectures, by Professor Silliman.

1. Life and Writings of Dante—2. Life and Writings of Chaucer, three Lectures, by Professor Henry W. Longfellow.

NINETEENTH ANNIVERSARY OF THE BOSTON MERCANTILE LIBRARY ASSOCIATION.

This old and valuable Institution, whose merits are well known, and whose influence has been long and widely exerted, celebrated its 19th anniversary on the evening of the 30th of September, by an address from the Hon. Rufus Choate, and a poem by a member of the society. Of the address it will be no mean praise to say, it was every way worthy to follow the eloquent and beautiful performance of Governor Everett, who officiated as orator last year. Of the manner and matter of that address, criticism throughout the country has placed them, beyond a doubt, amongst the highest efforts of genius, and we are happy to say Mr. Choate's production will not suffer by comparison with that splendid effort.

A crowded and brilliant audience filled the hall to the very ceiling, long before the exercises commenced, and throughout the whole evening the interest did not flag for a moment.

It is with deep regret we notice, that it is Mr. Choates' invariable rule to decline all invitations of publication. We hoped to have seen in print the patriotic and thrilling words which electrified that numerous assembly, confident that the community at large would appreciate and profit by the admirable sentiments which they conveyed. We do not remember ever to have heard this gentleman to more advantage. As an orator, he is certainly unsurpassed in the country; and as a bold and vigorous writer, there are few if any superior minds in New England. The themes which he chose for the occa-

sion, were those which no other individual could handle with greater effect and energy. The peculiar duty of the merchant to his country,—his influence in time of peace and war,—was the groundwork of that glorious chain of thought, which the orator poured forth with surpassing skill and power. No one engaged in mercantile pursuits, could have listened to this address without imbibing a pure lesson of patriotism, and rejoicing in the lot to which providence had cast him. The burning words of this eloquent son of Massachusetts, will live long in the memories of that youthful band, who came up to gather lessons of wisdom and strength for the daily business and warfare of life.

The poem which followed the address, was a neat and appropriate offering from one of the gentlemen who composed the society. It was well delivered, and elicited frequent applause. Allusions to many of the exciting topics of the day, were happily made, and received with great good nature by the audience.

The annual election for the choice of officers of the association occurred on the 2d instant. Mr. Atkins, who has long presided over the interests of the Institution with so much zeal and prudence, declined a re-election. A committee was chosen from the members to offer him sincere thanks, for the faithful and impartial manner in which he had performed the duties of his situation. He leaves the presidential chair with the good wishes of all.

Many of the directors, who had been in office sometime, also declined serving another season. The following list was chosen for the ensuing year.

EDWARD STEARNS, *President.*

SAMUEL E. SAWYER, *Vice President.*

DIRECTORS.

W. N. Fairbanks,
D. N. Haskell,
N. Greene, Jr.
H. J. Burton,
E. P. Whipple,

N. P. Kemp,
Allen Hephard,
P. Gildersleeve,
W. D. Weston.

E. A. HOBART, *Treasurer.*

THOS. J. ALLEN, *Secretary.*

If this institution continues to advance as rapidly as it has done for the last few years, it will be second to none of its kind in the country. New rooms are greatly needed, on the plan of those in Clinton Hall, and it is confidently hoped, that ere long, the merchants of Boston will place at the disposal of this praiseworthy society, a suitable building for their fast increasing library. Members are constantly joining, and larger accommodations are loudly called for.

MERCANTILE LIBRARY COMPANY OF PHILADELPHIA.

This society, we are glad to learn, have resolved to have a course of lectures during the ensuing winter. The hours of leisure that even the most sedulous votary of business necessarily finds, are golden hours, if consecrated by the charms of the Library, or the instruction of the lecture room; and in the series of lectures to be undertaken by the Mercantile Library Company, much advantage may justly be anticipated. The introductory lecture will be delivered on the first Friday evening in the present month, by the Hon. John Sergeant, to be followed on each successive Friday evening, by the following gentlemen:

Hon. Saml. L. Southard,
Wm. M. Meredith, Esq.
Professor Vethake,
Rev. Albert Barnes,
Hon. Judge Conrad.
David P. Brown, Esq.
Rev. Thos. H. Stockton,
James S. Smith, Esq.

J. R. Chandler, Esq.
Saml. Rush, Esq.
Dr. Emerson,
J. R. Tyson, Esq.
Rev. John Coleman.
M. M'Michael, Esq.
Dr. M'Murtie.

YOUNG MENS' INSTITUTE OF HARTFORD, CONN.

We are pleased to find by the first annual report of this young and vigorous institution, established for the moral and intellectual improvement of its members, that it is in a very prosperous condition. The number of volumes in the Institute already exceeds 5,600. A reading room has been attached to the library, and several gentlemen of eminent abilities have been engaged to deliver a course of lectures the ensuing season. The success of this and similar institutions throughout the country, established

and supported by our young men, must be highly gratifying to the patriot and philanthropist, affording evidence, as it does, that the vain and frivolous pleasures of youth are giving place to higher and more rational enjoyments.

The following are the names of the officers of the Institute: Henry Barnard, President; George G. Spencer and Wm. M. Durand, Vice Presidents; Wm. N. Matson and G. F. Davis, Secretaries; Erastus Collins, Treasurer; J. S. Morgan, J. D. Willard, E. W. Coleman, A. Storrs, and Alfred Gill, Directors.

BOOK-KEEPING.

The Science of Double Entry Book-keeping simplified, arranged, and methodized, explained by definite rules, and illustrated by entries classed in a manner entirely different from any work ever before offered to the public; also, containing a Key, explaining the manner of journalizing, and the nature of the business transaction of each of the Day-book entries, together with Practical Forms for keeping books, as circumstances may direct, in different commercial houses; Public Lectures, &c., &c. By J. C. COLT, Accountant. Fourth Edition. New York: William Jackson, and Robinson & Franklin.

In a commercial community like ours, the scientific mode of keeping accounts is a study of surpassing interest. For many years it has attracted attention commensurate with its importance. At the present moment, when our mercantile concerns are so widely extended, and when consequently the qualifications for success must so far exceed those formerly demanded, the mysteries of Book-keeping have excited such increased notice, that the press swarms with commentators. Nearly all these profess to have discovered some royal road to the science, which makes the last adventurer always represent himself as a *little better* than any who has gone before him.

The work now upon our table puts forth no pretensions of this nature. It parades no new and talismanic plan, which is to cast all others into oblivion, and create accountants by a charm. The author supposes that the primary principles of the science have been long thoroughly established. He confines himself, therefore, to making these understood. But he has observed that in practice these principles assume very different forms, sometimes varying to a degree which would lead a superficial observer to deny them a common parentage. Mr. Colt shows that the genus is the same, although the species differ. Here is his originality; and the scheme he has hit upon is not only intelligent, but philosophical.

Far different is the course usually pursued. All previous authors on the subject — at least all those with whose works we are familiar — suppose the book-keeper at his counting-house desk, noting each entry as it might occur by chance in business, when at one moment a chest of tea is sold, at another a ship to be freighted for the Indies; when, next, goods are received on commission, afterwards a consignment is made to Europe, and then a speculation is adventured on in the stocks. Now, all these are good business-like entries, no doubt; but each belong to different, very different classes. To fling them together in this heterogeneous manner, only confuses the uninstructed, who requires in the outset to be impressed with that well weighed order, that spirit of classification, which has earned for Book-keeping its title of a science.

How does Mr. Colt get over this? We will try to show.

He considers, as we have before stated, that the fundamental principles of Book-keeping are immutable, but that in practice they express themselves in five different forms. He first explains the unalterable basis of the science; he then carries the learner through each of the five varieties it assumes in practice. In his illustrations he exhibits every possible shape of entry, and with such clearness and simplicity as to render all of them perfectly comprehensible even to a child.

The five different forms of which we have spoken, are classed as follows:

The first class illustrates a regular running merchandise account, or such entries as arise in a store where goods are regularly bought and sold.

The second confines itself to those entries and accounts proceeding from the purchase and sale of stocks, real estate, and general agencies for such purposes.

The third illustrates such entries and accounts as are common to a house receiving goods to sell on commission, or doing a commission business.

The fourth exhibits those entries and accounts which arise from consigning goods to be sold on commission, singly and in partnership.

The fifth is limited to single and joint speculations.

When we stated that the illustrations of these five classes include every description of entry which can arise in business, we should have added, that in addition to such as are appropriate to each respective class, some may occasionally occur which cannot dis-

tingly be assigned to either. For this case Mr. Colt has provided. He very adroitly scatters these anomalous entries among the main divisions, in such a manner as to make them explain themselves without disturbing the order of the rest.

There needs no argument to prove that by this novel mode of classification, a more thorough knowledge of the science can be communicated, than by the old and jumbled system which has so long prevailed amongst us, and which is still supported in the more recent works of various authors. The plan of Mr. Colt displays a sound good sense, in addition to its novelty, which must recommend it, not only to such as are studying the science for their own use, but to those who are engaged in teaching it to others.

The predecessors of Mr. Colt have gone no farther than the development of the fundamental principles of Book-keeping. Mr. Colt, alone, does not stop here. Besides giving the various forms in practice, and rivetting in the learner's mind those principles of the science which are found so invaluable in later life, Mr. Colt imagines his pupil in actual business on his own account, and supplies him with so great a variety of models for keeping his books on the principles of double entry, that the young merchant cannot be unprepared for any situation which may chance thereafter to arise.

These practical models for keeping books indicate in Mr. Colt a much more comprehensive view of the subject than has ever been taken before. They supply a desideratum, the lack of which has disabled students from satisfying their employers, and given them very harsh thoughts of those instructors who have sent them into the counting-house, with the assurance that they were fully qualified to perform all its duties. Whoever will examine Mr. Colt's production, may discern at once why he has succeeded in overcoming this disadvantage. It is, simply, because he has not, like others, failed to discriminate between the method of expounding the principles of the science, and the form or forms for keeping books in practice. We should suppose that these practical models for keeping books, which have never been given by any writer, before Mr. Colt, would to young accountants be invaluable.

Of the day-book entries and miscellaneous forms, — accounts current, for example, — and the like, we forbear to give any description, because all such works contain something of the sort. Nevertheless, even in these Mr. Colt has evinced no common skill and judgment, by exhibiting them in shapes as nearly original as possible, and always so as to impress them, and make them instructive. And there are other recommendations, not usually found in works of this nature, to which attention ought to be pointed: among these, we would particularize certain directions to the learner, a vocabulary of mercantile terms and phrases, and a key explaining the nature of the most difficult transactions, and the manner of journalizing each of the day-book entries.

In the close of Mr. Colt's work, it appears, that the importance of acquiring a knowledge of the science which it unfolds, has been urged by the author in several public addresses, which are to be found in the appendix. As nothing of the kind has been before published, their novelty will at least excite curiosity. They will gratify, without doubt, those for whom they were intended, and stimulate young men to a laudable ambition for a general knowledge of commerce. This article has already extended too far to allow of our offering any extracts, as was at first our purpose; hence, we must be satisfied with remarking, that they are expressed with great earnestness, and show a high sense of the dignity of the study for which their author has given such an able manual.

A PICTORIAL GEOGRAPHY OF THE WORLD.

Edited by S. G. Goodrich.

The editor of this extensive publication, has a name particularly associated with juvenile literature, but it is well known that he is able to cope successfully with subjects which demand the exercise of masculine intellect. The present work, of which one or two numbers have been issued, is demonstrative of this. We have seldom seen a publication which seemed more fully to accomplish its design, than this — so far as we have examined it. Its particular object is to *popularise* geography; to give a present view of the world, physical, political, commercial, and moral — setting forth the various topics in the most entertaining, useful, and practical manner.

The whole work will contain 1100 large royal 8vo. pages, and will be enriched by 1000 illustrative engravings. Its utility as a family book — as a magazine of geographical knowledge for school, and other libraries, is too obvious to need our notice; but it is particularly entitled to our attention as a storehouse of valuable and accurate commercial intelligence. Geography is one of the first studies that should engage the attention of merchants; and we have seen no work comparable to this, in convenience and utility, to our own citizens. The United States are fully treated in the work; and

we perceive much valuable information in respect to the western states and territories, Texas, etc., which we have not noticed elsewhere. Some interesting statistical tables we shall take the liberty to transfer to future numbers of our magazine.

We cannot do a better service to our commercial friends, than to commend this work to their attention. It will prove a most useful counting-house companion, and especially claims the notice of young men who are fitting themselves for mercantile pursuits. No man understands the art of making the acquisition of knowledge agreeable and effectual better than Mr. Goodrich, and he seems to have employed his skill to good advantage in the present instance. He has, of course, had large assistance in the preparation of this work, and we are not assured that he is the writer of the sketches of manners and customs dispersed through the volume. It will strike the reader, however, that they are written with great raciness and just discrimination, quite unlike the prosy delineations of the Morses and Pinkertons of other days.

IMPORTATION OF WHEAT.

It is stated in the Baltimore Chronicle, that the quantity of wheat which was imported into the United States, in 1837, exceeded by far all the importation of that grain since the settlement of the country. The following tabular statement shows the great disproportion between the receipts of wheat in several years.

Quantity of Wheat imported into the United States, during the several years ending on the 30th September.

Year.	Bushels.	Year.	Bushels.	Year.	Bushels.
1831	620	1834	1,225	1837	3,921,259
1832	1,168	1835	238,769	1838	844,536
1833	1,600	1836	533,698		

The exportation of Wheat for the same years was as follows :

Year.	Bushels.	Year.	Bushels.	Year.	Bushels.
1831	408,810	1834	36,948	1837	17,303
1832	88,304	1835	47,962	1838	6,291
1833	32,221	1836	2,062		

The exportation of Wheat Flour in the same year was as follows :

Year.	Bushels.	Year.	Bushels.	Year.	Bushels.
1831	1,806,529	1834	835,352	1837	318,719
1832	864,919	1835	779,396	1838	448,161
1833	955,768	1836	505,400		

GOLD AND SILVER.

It is stated in the Miners' Journal, that the product of gold in forty years (from 1790 to 1830) from the mines of Mexico, Chili, Buenos Ayres, and Russia, was 17,003,579 pounds sterling, and the product of silver from the same mines, in the same period, amounted to 170,326,620 pounds sterling. The annual coinage of gold and silver in the mints of Mexico, including Guanaxuato, Zacatecas, Guadalajara, Durango, San Luis, and Ilapan, is about eleven million of dollars, and the annual coinage of the mints of Lima and Cuzco, about two million of dollars. The entire exportation of dollars from Chili in three years was only three million, and the different smelting works of Peru do not annually turn out more than two million and a half of dollars in bars of silver. The product of the mines is diminishing every year, and will continue to diminish, not only on account of the exhaustion of the metal, and the increased difficulty of working the mines, but from the disturbed state of the countries in which they are situated.

COMMERCE OF NEW ORLEANS.

The commercial year of New Orleans terminates on the 30th of September, and the operations during the year just closed, are thus stated in Levy's Commercial Intelligencer: It appears that 1825 vessels from sea, and 1573 steamboats, have arrived in the port of New Orleans, besides flat-boats, barges, and pirogues, so numerous, that no one has ventured to keep an account of them. In the river craft, have been brought thither, 593,000 bales of cotton, 70,000 hogsheads of sugar, 25,000 hogsheads of molasses, 39,630 hogsheads of tobacco, 436,237 barrels of flour, 218,673 kegs of lard, 205,007 pigs lead, 166,113 barrels of pork, and 7,192,156 pounds of pork in bulk, 1,700,000 staves, 20,000 hogsheads bacon, besides 1,501,900 pounds bacon in bulk, 30,000 barrels whiskey, 49,539 pieces Kentucky bagging, 63,107 coils bale rope, and a great variety of articles of minor importance.

HUNT'S MERCHANTS' MAGAZINE.

No. VI.

DECEMBER, 1839.

ART. I.—THE PROGRESS AND INFLUENCE OF COMMERCE IN EUROPE.

THE mighty aid which commerce has afforded in civilizing, enlightening, and refining mankind, affords a lesson fraught with the deepest interest, and the most profound and highly elevated instruction. It has been a powerful engine, in sweeping away the rude and barbarous usages which prevailed in Europe during the middle ages, and has exercised a tremendous influence upon the civil, political, and moral condition of the whole world. View it on every side—in every age—and in whatever aspect, religious, political, or moral; trace its path in dark and heathenish nations, and in the bright and glorious sovereignties of the enlightened world, and we see the character of man softened by its presence, and his social condition improved by its influences. It is the aid of religion clad in a different garb, but contributing powerfully to its assistance—springing from the wants of mankind—moving in a worldly sphere, but scattering the gifts of heaven in its path; and so intimately are religion, commerce, literature, and the science of rational government, connected, that in order to appreciate the one, we must become acquainted with all; and when we have candidly and deliberately surveyed the progress of each, and its influence and bearing in ameliorating the moral, political, and social condition of our race, we must acknowledge, that commerce has opened the way and smoothed the path for all. There is, perhaps, no nation on the globe, which is so much indebted to commerce for its strength, the permanence of its institutions, the durability and beauty of its political fabric, the power almost infinite of its naval force, and the brilliancy of its intellectual character, as England. Every thing which constitutes England mistress of the seas, nearly every attribute which composes her constitutional strength, and gives her influence and power among the nations of the earth, spring from and were created out of the commerce which in the infancy of her power she fostered.

The ancient inhabitants of England, were a rude, uncultivated race of men. They were without ships of any kind, destitute of nautical skill, and almost entirely ignorant of the nations inhabiting the continent of Europe. They held no intercourse with foreign powers, and possessed none of the

refinements belonging to civilized life; and while Rome glittered in the riches of foreign climes, and was clothed in a grandeur emanating from her adventurous power; while Venice sparkled in the gems with which commerce had encircled her, and shone forth in intellectual beauty—England slumbered in superstition and dark ignorance, destitute of every thing which constitutes her present greatness. But a new sun dawned upon her—the sun of conquest. The Saxons, a fierce, warlike race of men, who inhabited the northern coast of Germany, being called upon by the Ancient Britons to assist them in repelling the Picts and Scots, who had poured themselves down in warlike fierceness from their northern hills, took advantage of the defenceless state of the Britons, and seized England in their powerful grasp, and after one hundred and fifty years of fierce and cruel contention, the Saxons succeeded in exterminating the ancient possessors of Britain, and establishing themselves undisputed masters of the soil. For some time after this event, the Saxons discontinued all connexion and intercourse with the continent. They were governed by a number of petty princes, who were independent of each other, and who would not act in concert in carrying forward any great national scheme for their mutual advancement. But when the Christian religion began to pervade the states of Europe, and by its influence to soften the fierce and warlike spirit of the inhabitants, a communication was opened by one or two of the Saxon princes with the continent, and the vast advantages to be derived from commercial intercourse became apparent; and one of the princes of the Saxon Heptarchy carried this new policy of foreign commerce into execution, by concluding a treaty with Charlemagne, who by encouraging commerce, and creating a navy, had raised France to a pitch of power and naval greatness, which was unrivalled by any nation of Western Europe; and when the Heptarchy, under King Egbert, was consolidated into the Kingdom of England, that prince at once perceived, that owing to the close proximity of his country to the powerful sovereignties of Europe, the future greatness of his people must depend upon a rich commerce and a mighty naval force. The spirit of trade with the countries of Europe was encouraged, and with it nautical skill was increased and fostered; as the intercourse of England with the Continent increased, the advancement of religion and learning became perceptible; and the elegant, profound, and varied literature of the ancients, was rescued from the dust of the cloister, to enlighten nations shrouded in dark ignorance and fearful error. The arts and sciences began slowly to emerge from under the weight of monastic influence, and moved slowly onward through the intellectual darkness which prevailed: nations became less strange to each other, treaties were formed, commercial privileges were claimed and granted, international rights were recognised, lines of territory were drawn and settled, and even the mighty ocean was parcelled out.

When the illustrious Alfred ascended the throne of England, he took a more intelligent, comprehensive, and statesmanlike view of the relative situation of his country, than any of his predecessors; and his vast mind fully appreciated the immense advantages of power, and wealth, and national greatness, which must result from the maritime riches and naval strength of England; and looking to the intellectual, as well as physical grandeur of his nation, he was deeply impressed with the conviction that the acquisition of literature and learning, by commerce with foreign countries, would, in a national point of view, almost equal every other advantage to be derived from it. Guided by these great and philanthropic principles, Alfred brought

into active requisition every power of his mighty mind, for the attainment of his ennobling purpose: he sent agents in whom he could repose confidence, and who were selected for their experience and learning, into all the maritime countries of Europe, and to the remote nations of Asia, to collect information which would enable him to adopt measures best calculated to promote and advance the object he had in view. A vast expense was incurred, a mighty influence was exerted, and every element set in motion by this wise prince, to advance his country's maritime greatness; and in part he succeeded. The vessels built by him were superior to any which navigated the northern seas; they were less bulky, more easily managed, faster sailers, and their model more graceful and elegant. But with the death of this prince expired much of the maritime wealth and commercial prosperity of England. A few succeeding sovereigns managed to keep up a small naval force, sufficient to protect them from the incursions of the Danish pirates, but not powerful enough for the protection of their commerce, which soon dwindled away. Every one was fearful of trusting his fortune in commercial enterprises, when pirates were hovering upon the coasts, and riding boldly and fearlessly on the high seas, committing depredations upon the infant commerce of all nations. Maritime adventure was consequently confined in its operations; and commerce cannot exist and flourish, when its boundaries are settled, and lines drawn around a narrow circle, beyond which it must not extend: its limits must be infinite; it must be fettered by nothing save the broad principles of international law; guided by no rules save those of eternal justice; no narrow policy should obstruct its progress; its course should be free, but not unprotected.

As commerce died away in England, the inhabitants maintained less intercourse with their neighbors on the continent; and literature and the arts, which under the protective system of Alfred had sprung up with rapid growth, soon drooped and disappeared: and England was fast losing the rank she had gained among the nations of the earth, when William the Conqueror subdued her, and opened the way to all her future greatness and commercial prosperity.

From this time is to be dated the intercourse of England with Southern Europe, and particularly with France. From the conquest commenced the slow, gradual extension of her naval power, which now sweeps every coast, and rides on every sea. From this time, also, may be dated the beginning of that enlarged commerce which forms such a mighty source of the revenue of Great Britain, and which constitutes so vast an amount of the capital of its citizens. And from nearly the same era may we date the commencement of the Christian religion, which is now taught in almost every clime to which the commerce of enlightened nations extend; and at this time also, did the introduction of knowledge and intellectual refinement take place, which have since worked such great changes in the mind and nature of man. The commercial advancement of England after the conquest was slow, but mercantile enterprise proceeded onward with the sure and gradual strides of ultimate success. Under the influence of the feudal system, which then prevailed, commercial pursuits were retarded, and often discouraged. The Normans had been so long accustomed to the glitter of arms, the clashing of steel, the glory and magnificence of successful war, and to the absolute domination and rule of empire, that the peaceful employment of commercial life presented but few charms to their rude imaginations, and the trading citizen was viewed with contempt by the haughty soldier. But when the

internal laws of England were reduced and consolidated into a system, and its jurisprudence had begun to assume the elevated tone of justice; when the administration of the laws, although feeble, had become more uniform and impartial, and civil right was less trampled upon by military power, the spirit of commercial adventure revived, and its influence spread throughout the kingdom. Until commerce poured in her infant stores, the inhabitants of England had possessed none of the elegant refinements which mark enlightened civilization; but few of the necessities of life were known, and a barbarous magnificence was enthroned in intellectual desolation: but when, under succeeding monarchs, the intercourse of England with foreign nations opened a wide door for the embarkment of private fortune in mercantile pursuits; when the broad mantle of international law encircled within its protecting folds the genius of commerce, the rich freighted ship was wafted in peace and security, and bore its golden treasures, both physical and intellectual, from every country and every clime.

The reign of Edward the Third marked a great change in the commercial character of the English people. This monarch formed an extensive confederacy with the Continental states, which opened a wide intercourse with the Low Countries and Germany. The acquaintance with these nations, spread out to the astonished minds of the English people, the immense wealth, power, and grandeur, which commerce bestows upon the nations by whom she is protected and encouraged. At this time, situated in the midst of the European powers, surrounded by the rude, the mighty but half crumbled monuments of feudal barbarism, reared amid the gothic superstition of the age, towered the commercial riches and naval strength of Flanders. But a short time previous, and this nation was enshrouded in the darkest ignorance, and the most gloomy superstition prevailed: the latent energies of its people were chained down by the rude strength of the feudal system, and the spirit of adventure was crushed by the tyrannical laws imposed upon its inhabitants by the military lords who reigned masters of the soil. But the situation of this country made it impossible to fetter forever the natural advantages with which it had been favored by Providence. Situated between the Mediterranean and the Baltic, the kingdom of Flanders soon became the medium of communication between the coasts which border upon these mighty seas; and when once the great commercial advantages of this country became known to its citizens, the chains of ignorance and despotism which bound them were burst asunder, the infant genius of commerce reared itself in slow but mighty grandeur, and the warlike spirits of those whose minds were still wedded to the magnificent chivalry of the age, was transferred from the gloomy castle, and the glorious theatre of knightly deeds, to the proud war-ship which reared its mighty bulk for the protection of a nation's youthful commerce. When Edward ascended the English throne, Flanders shone brilliantly forth among the sovereignties of Continental Europe, first in commercial wealth and greatness, strongest in naval power, farthest advanced in manufactures and the arts, and the most cultivated and refined in the intellectual character of her people. The comprehensive mind of Edward at once saw the cause which had worked such mighty changes in the prosperity of this nation, and in the intellectual character of its inhabitants. He saw the incalculable advantages which must inevitably result from trade, commerce, and manufactures; not only in enriching his people, and extending his strength and the glory of his empire, but in ameliorating the moral, physical, and intellectual condition of his coun-

try. Deeply impressed with the importance of these considerations, all the mighty energies of his acute and discerning mind were brought into immediate and active requisition for the advancement of his great purpose. By holding out the most brilliant and flattering allurements, he induced Flemish artisans to settle in England, and commenced the manufacture of woollen cloths in his own kingdom; and feeling confident that his own subjects possessed strong energy of mind, together with genius, not glittering but useful, he first turned those qualities to cultivating a knowledge of the arts and manufactures, and thus laid the foundation for that glorious superstructure, which at present forms so large a portion of the immense wealth and prosperity of the English nation. By a course of national policy, which characterizes this monarch as one of the greatest and most profound statesmen that ever filled the throne of England, he succeeded in rearing establishments for the manufacture of English products; and instead of selling the raw material which was raised on English soil, to enrich the citizens of Flanders by its manufacture, rich cloths were made in England; and after supplying the wants of his subjects, the remainder was sold on the continent, and articles of foreign manufacture taken in exchange.

As the arts and manufactures increased, ships were built, and commerce advanced with rapid strides; the enjoyments of civilized life were communicated to distant nations; a more liberal and enlightened tone of feeling pervaded society; and the Christian religion began to shed abroad its golden light, softening the fierce and warlike nature of man. Nations began to look upon each other, not as enemies, but as neighbors and friends; and as commerce increased, and extended abroad its enriching influences, a common interest bound them together: Treaties were formed, mutual benefits and advantages were shared, protection to the vessels of all nations was guaranteed by maritime powers, and freedom of trade was rapidly prevailing.

The monarchs, who for more than a century succeeded Edward, neglected the protection and advancement of the mighty plan which he had so skilfully and successfully laid. The minds of the English people were not yet prepared for so great a change in their national character; and nothing short of the mighty intellectual power and brilliant genius of Edward, could have effected what he accomplished. There was still too much of the pride of feudal aristocracy existing in England, too much love of warlike pomp, and not enough of real liberty, to render mercantile pursuits profitable, safe, and honorable: the rights of the citizens were not yet defined with sufficient certainty; the power of the nobles was too arbitrary; the king's prerogative too mighty; and the liberty of the weak too often violated with impunity.

From the time of Edward's death, until Henry the Fourth mounted the English throne, civil wars, intestine dissensions, and military power, prevailed; and turbulence, violence, and injustice, marked the years as they rolled on, increasing arbitrary power and military force, and blackening the bright rays of intellectual light, which were beginning to shed a softening influence over the rude spirit of the age, and crushing and destroying the infant form of commerce in their rude embrace. When Henry ascended the throne, commercial prosperity again revived; his policy was provident, vigilant, and wise; and he promoted the interests of commerce to the utmost of his power—he encouraged the arts and manufactures, and by his wisdom and perseverance, effected a great alteration in the character of his

people. The mighty advantages which a rich commerce and a powerful navy would bestow, the great national benefits to be derived from trade and manufactures, were known and appreciated. The spirit of contempt towards those engaged in trade, manufacture, and commercial adventures, which had so universally prevailed among the higher classes, had somewhat abated; and as the introduction of the necessities and luxuries of civilized life became more general, and their use more universal, the source from which they sprung was clothed with more privileges, and was thought more worthy of just and beneficent laws. The settlement of foreign merchants in England was encouraged—rights and privileges were afforded them—and their personal security, and personal property, were protected by liberal and enlightened laws, and a wise system of internal regulations.

During this reign, a commercial treaty with the Hanse Town merchants was formed upon the basis of mutual benefit. English Factories were established in foreign parts, affording immense opportunities for increasing commercial prosperity, and securing for those engaged in mercantile pursuits large privileges and rich emoluments. This was a part of that great system of powerful foreign commercial establishments, which has since reached the most remote portion of the habitable globe, constituting a source of wealth and power almost infinite. With the increase of commercial prosperity, and the introduction of laws necessary for its protection and advancement, literature and learning revived, and by their influence, although mingled with the superstition of the cloister, aided powerfully in polishing the rude minds of the haughty barons, and paved the way for more enlightened legislation, and produced a greater regard for civil, political, and religious rights and privileges: a greater refinement was introduced, and the sword was appealed to less often as the arbiter of justice. Through the agency of commerce, and the intercourse which it opened with foreign countries, ancient literature was redeemed from the dust of ages—snatched from the hand of the rude destroyer, and transferred to nations, whose enlightened people, glorious institutions, mighty power, and religious observances, show with conclusive force the influence it has exerted.

The materials for the creation of commercial adventure had been, for many years, slowly and steadily forming, throughout all the maritime countries of Europe. Visions of golden prospects were revealed, in perspective, to the ambitious minds of those whose thirst for mercantile employment was excited by love of gain, while the nobler spirit of discovering new worlds, and benefiting the human race, actuated those whose natures were less sordid, and who possessed sentiments of a more generous and philanthropic character.

During the fifteenth century, almost every nation whose territory bordered on the ocean and great seas, possessed ships trading to foreign lands, which brought back to their respective countries rich returns for the risk encountered in embarking life and fortune upon the watery element. The English, under the wise but somewhat turbulent reign of Henry the Seventh, were carrying out those great plans of commercial advancement, and naval strength, which the giant mind of Edward the Third had conceived and laid. A more universal prosperity prevailed, and a greater equality of rights and privileges were established, than the English people had ever before enjoyed. So auspicious a time for the increase of commerce and naval grandeur, was not allowed to pass unimproved; and the king, by his covetous and grasping disposition, accomplished what the noblest energies

could scarcely have achieved. The imposts upon foreign goods were exorbitantly high, and extravagant in the extreme; and the revenue afforded to the king, was in proportion to the shipping employed in importation: to increase the commerce of England with foreign nations, for the purpose of filling his coffers with gold, was the sole aim of this monarch; and towards the attainment of this object, the energies of his mind, together with his kingly influence, were directed. He concluded commercial treaties, which operated beneficially in promoting the commercial prosperity of the English nation; and although his intercourse with foreign governments was not marked by that lofty and liberal policy, which characterizes the truly noble mind and great statesman, he evinced a profound desire to settle the commercial relations of his country, with foreign powers, upon a broad and equitable basis, which should secure to his subjects safety and universal justice. Previous to his reign, the building of ships had been much neglected, and most of the foreign trade of England had been carried on in foreign vessels: but great advantages, exclusive rights, and superior privileges, being conferred upon those who should prosecute their trade in English ships, the construction of vessels rapidly increased, and the English merchant ship rode the mighty deep, freighted to the wave with the riches of foreign lands. A new class of men had now sprung up in the English nation, and was fast increasing in wealth and influence. It was composed of the merchants and manufacturers. Commerce began to shower forth its benefits in golden profusion, and to confer its riches with no meagre hand. Mercantile pursuits were considered more honorable, and were viewed with a more enlightened consideration by the haughty noble. The merchant was now chosen to sit in the high legislative body of the nation, and the commons were often clothed in titled dignity by their sovereign. A more extended intercourse with foreign countries, growing out of commercial relations, had expanded the mind of man, enabling him to comprehend and appreciate a broader and more enlightened system of national government, and a more just basis of international rights. About this time the invention of the compass increased still farther the spirit of maritime adventure, for purposes of commercial advancement and foreign discovery. The rich commercial cities of Venice and Genoa, had hitherto monopolized the immense trade of the western world to India. Enjoying in security the brilliant yet solid advantages which this traffic afforded, these cities had reared themselves to the pinnacle of riches and power. Their citizens lived in the midst of princely splendor, and were surrounded with almost regal pomp and magnificence. The vast advantages resulting from the exclusive trade of these Italian republics with India, and the incalculable riches which their citizens derived from commercial pursuits, was viewed by the sovereign of Portugal as a powerful reason for endeavoring to supplant these cities in the enjoyment of a portion of this rich traffic. Portugal had been governed by a succession of princes, who, by pursuing a broad and liberal policy towards their neighbors, and conferring upon commerce peculiar privileges, and clothing those engaged in it with exclusive rights, had gained for their country a high rank among the maritime powers of Europe. Believing that a new passage could be discovered to India, by which the trade of the Italian cities to that country could be partially cut off and destroyed, and its rich products diverted into the hands of his subjects, the sovereign of this kingdom engaged nautical adventurers, to proceed along the extensive coast of Africa, and endeavor to trace out a new path to India, and thus open its stores to the enjoyment of his people, and

for the advancement of their commercial prosperity. In a few years this great object was accomplished, a new highway across the broad ocean to Oriental India was explored, and the glory of its accomplishment, and the treasures it opened to the maritime nations of western Europe, were the rich results of this glorious scheme of commercial aggrandizement.

In that age, the discovery of this country, by Columbus, opened a wide field for commercial action, and furnished the most powerful incentives to trade and adventure; displaying also rare and varied materials for improving the human mind, and enlarging the comprehension of man.

While almost every maritime country was engaged in cultivating enlarged commercial relations with foreign nations, and endeavoring to maintain peace and amity with its neighbors; while the sovereigns of Europe were vying with each other in naval grandeur and strength, and striving to attain the foremost rank in commercial prosperity; while the supreme power of each nation was revising and improving its system of internal laws and regulations, and rearing the fabric of free and equal justice—France seemed to have rolled back towards the gothic age of rude barbarism. In the king of this country centred arbitrary rule, and despotic right; he had wrested from the nobles their strength, and with it, had swelled his own power. There existed no middle class: all below the nobility were slaves; and even the nobles possessed little, if any real power. Their superior privileges existed but in name, their rights were merely nominal, and their property depended upon the nod of an imperious monarch: the king had destroyed every element which could advance the happiness and prosperity of his people; he neglected their commercial interests, and crushed the spirit of trade and adventure; by his measures, he discouraged the arts and sciences, and repressed the rising energies of his nation. All the maritime countries of Europe were towering upward in commercial riches, naval power, and intellectual greatness; while France, whose situation was unrivalled, and whose natural resources were of a mighty character, remained a dark spot upon the map of Europe. The rule of despotism was laid upon the nation, and the spirit of commerce withered under its influence; no laws were made, save those tending to the perpetuation of monarchical strength: no measures were proposed, except those calculated to foster consolidated imperial power. The nobles of the realm had conveyed away their rights; and the prerogative of their king frowned in infinite might upon the structure they had reared. Under such influences, commercial adventure could find no foundation upon which to rest; that portion of the French people, whose rank in life would have permitted them to engage in mercantile pursuits, were prevented by their poverty; and those who possessed sufficient fortunes were deterred by their connexion with the nobility, who considered traffic of any kind mean and degrading.

Could the rude, uncultivated minds of these ignorant nobles, have appreciated the amount of wealth and luxury which foreign commerce bestows upon a nation; could they have foreseen and comprehended the enlightened change which intercourse with distant countries creates in the intelligence of man—commerce would have been encouraged, and by uniting in physical strength, their king would have been coerced into the pursuit of a more liberal policy. But the spirit for military action was still strong on the continent of Europe; and especially to the minds of the French people, did military life present charms. The age of chivalry was too recent to leave the mind free from its influence; deeds of warlike renown shone through the

mists of past years; and knightly achievements glittered to the rude fancy, and fascinated the imaginations, of those who were not yet taught to love the quiet enjoyments of civil life, and to appreciate the gifts bestowed by peaceful occupations. Where the influence of commerce is once experienced, and its advantages appreciated, the most turbulent spirits will become settled, and the greatest disorganization assume a consolidated system: and this follows from the most powerful considerations which actuate mankind—the love of riches; for when the citizens of any nation have embarked large sums in mercantile adventures, and while their fortunes are composed of property of a fluctuating, uncertain nature, no efforts will be spared for the maintenance of peace and internal quiet, and for the promotion and continuance of sound and beneficial laws—no energies will be left untried to secure a uniform system of international right, and to place commercial relations with foreign powers upon the broad principles of justice, recognised and enforced by the laws of nations. And when the introduction of commerce, manufactures, and the arts, into any country, creates wealth and riches, and forms the subject of internal legislation; then will the frame of a wise and uniform system of national laws be adopted, their injunctions will be respected and obeyed, and the minds of the inhabitants assume a peaceable character. The truth of these positions, with reference to maritime nations, is forcibly exemplified, when we look abroad upon the commercial kingdoms of the earth; and so powerful are the interests which bind them together, that in the present age, it would require the most urgent and mighty causes, to induce any commercial country to declare war against its neighbor. Under succeeding reigns, the constitution of the French Government underwent many judicious alterations; and the close proximity of England, enabled France to see clearly and distinctly the great causes which were producing such a mighty and universal change in the prosperity of the English nation. There existed a vast difference in the national character of the two countries; but as far as such dissimilar materials would admit of the same practical application, the government of France bestowed upon its merchants privileges as beneficial and universal, as were conferred by the laws of England upon its own citizens; and as the disabilities under which commerce had existed were swept away—as exclusive rights, and peculiar protection was extended to those engaged in mercantile and manufacturing employments—commercial wealth and prosperity rapidly increased throughout the French nation: manufactures were encouraged—the arts and sciences sprang into existence, and flourished—and the dark cloud of bigotry, superstition, and error, which had so long spread its gloomy mantle over the mind of the nation, was dispersed by the bright sun of commercial prosperity.

The commencement of the reign of Henry the Eighth, in England, was characterized by no monarchical or legislative policy, which tended towards intellectual refinement or commercial greatness; it was marked, however, by a degree of courtly pomp and splendor, together with a luxury and magnificence, which required the aid of foreign riches to gratify; and without the assistance of government, the spirit of private adventure prompted a trade to foreign and far distant nations, for the purpose of obtaining luxurious commodities to gratify the extravagance which reigned. Thus did the dissipation and regal vice in which this monarch lived, create a foundation for trade, manufactures, and foreign traffic, which the measures of his government contributed so little to promote; and the spirit of foreign enterprise in which

his father enlisted all his energy and influence to create, grew and flourished without monarchical attention or cultivation. The seeds of commercial wealth and grandeur had been sown in a rich soil, and had taken root so deep as not to be easily eradicated. The prosperity of the English nation depended upon the increase and success of its commerce, and the liberty and happiness of its people had become identified with a system which created powerful inducements, and formed mighty considerations for liberal and enlightened legislation, and gave birth to wise and impartial jurisprudence. Previous to this reign, English merchants had no settled establishments for mercantile purposes in the New World, and in this respect were far behind the Spaniards, who had taken possession of the extensive island of Cuba, and were fast increasing in wealth, independence, and power ; and by their enterprising and far-reaching spirit, had discovered and secured the vast treasures which an exclusive traffic never fails to bestow.

Perceiving the golden returns which so extended a trade conferred upon those engaged in it, and looking to the ultimate advantages which his country would acquire from its advancement, Mr. Thorne, one of the most wealthy and influential merchants in England, and who possessed a bold, adventurous spirit, which no disappointment could dampen, projected and established a factory in Cuba, and was the first Englishman who could claim the distinction of creating a commercial settlement in the new world.

The opportunities which his situation afforded him, for the acquirement of information to open a still wider field for commercial adventure, were improved, and immense sums were lavished for the advancement of knowledge, calculated to facilitate the growth and advancement of foreign commerce to the western continent. The glorious example which this noble, disinterested merchant afforded, was imitated by others, eager for the acquirement of fame, or desirous of accumulating wealth and treasures.

A traffic with the Brazilians was opened by Hawkins, father to the renowned voyager, and directing his course across the broad bosom of the ocean, he surveyed new coasts, and discovered new lands.

The spirit of commercial adventure had taken a powerful hold upon the minds of the English people, and the brilliant and useful advantages which commerce had bestowed upon the nation were deeply felt and fully appreciated ; they saw the glorious structure composed of riches, power, and intellectual greatness, which it had reared in the heart of their country, and experienced the ameliorating influences it had bestowed upon their social condition ; religion, aided by its power, and fostered by the general intelligence it had created, shed its soft, calm light, upon the mind of man ; and learning opened its enlightened gifts to all, and the weak and humble citizen shared the bounty of a wise and liberal policy of national laws, in just equality with the powerful noble.

The immense wealth and increased power which Portugal had acquired from its lucrative trade to India, induced English mariners to attempt the discovery of a north-west passage to that country ; stimulated by love of gain, acting under the influence of ideas powerful and comprehensive, and urged and encouraged by the expanded and enlightened views which maritime adventure had opened upon the mind, the undertaking was made, and its projectors disappointed by its failure ; but for every attempt which, like this, was fraught with misfortune and loss, numerous instances of the most brilliant success could be pointed out ; and, instead of damping the commercial ardor of the age, it served to excite a still deeper love of nautical science,

and to impress upon the mind with greater force, the necessity of learning and comprehending the art of navigation.

At this time the reformation had commenced in England, and was moving onward with rapid and gigantic strides; and whether its success was the offspring of the rapacious spirit of Henry the Eighth — whether he shook off the papal yoke from pride, or whether he was induced to favor the protestants from considerations of a religious nature influencing his mind, are questions of minor importance; for, without the co-operation and assistance of his subjects, he could have effected nothing. And had the English people labored under the dark ignorance, the blinding prejudices, and the want of intellectual knowledge which prevailed before intercourse with foreign countries, and an acquaintance with the constitutions and laws of distant nations, had enlarged their views and expanded their minds, enabling them to comprehend the immense advantages to be derived from an enlightened and liberal change in national policy and internal system, without at the same time causing them to apprehend danger and destruction from the introduction of innovation and novelty—the brilliant and happy results which have flowed from the reformation would have been unknown, and the intellect of man would now be chained down in the darkest ignorance and most fatal error. But the terrors of popery were met and conquered; the elements set in motion by the conflict were hushed; the advocates of protestantism became less violent; society assumed a more liberal and enlightened tone; and the security of the citizen was guarantied by a more uniform and impartial system of laws and national policy. From this time the prosperity of the English nation steadily advanced; the powerful fabric of popish strength had been levelled to the earth, and its influence scattered and destroyed; that ecclesiastical policy which declared commercial pursuits and religion incompatible with each other, was annihilated, and the genius of commerce was reared in riches, wealth, and greatness, upon its ruins. Nothing now remained to retard the prosperity and growing wealth of the English nation. Every obstacle to the increase of foreign commerce was removed; treaties of the most beneficial character were entered into with foreign powers; maritime rights and privileges were claimed and acknowledged; and the laws of nations, and the principles of international policy, were settled and established.

NEVER TALK OF YOUR DESIGNS TILL THEY HAVE BEEN ACCOMPLISHED, AND EVEN THEN THE LESS YOU SAY THE BETTER.—This is a very important caution for the merchant or man of business. Some persons are naturally so talkative that they no sooner form a design of entering into a speculation, or following some particular branch of trade or commerce, than they take the earliest opportunity of acquainting all their friends with it. By giving way to this weakness, you put it in the power of others to forestall you, and those whose interest interferes with yours, will do all they can to disappoint you for their own advantage. In this respect, the example of GIRARD, the Napoleon of commerce, is worthy of all imitation. No man ever heard him boast of *what he would do*. He remained quiet and silent till the time came for action, and then he struck the blow with an unerring aim which insured him success. As a merchant, he was inquisitive, active, prompt, and sagacious: studious to learn all he could from others, and as careful to impart nothing in return.—*Foster.*

ART. II.—THE MERCHANT SERVICE.

HAVING seen much of the Merchant Service, and witnessed the want of system and economy in its administration, I have thought that some suggestions, on this important subject, might be acceptable to such of the readers of the *Merchants' Magazine** as are connected with the mercantile interests of the country.

I have always entertained the opinion that the owners, masters, and crews of merchant ships, would be mutually benefited by the adoption of a uniform system of equipment and disbursement, and the idea occurred to me more forcibly very recently, when we had reason to anticipate a war with a great and powerful nation; in the event of which, those vessels that ventured beyond our ports, unattended by convoy, must of necessity have been well armed and manned; and the want of that order and discipline so indispensable in armed vessels, would have rendered the precaution of arming them almost useless. Although there is now but little prospect of war with any power, yet as some benefit may be derived from the discussion of the subject, I shall endeavor to point out such improvements as may tend to the interests of the owners, and essentially promote the comfort of all concerned.

No one can find fault with the construction, the masting, the rigging, or the internal arrangement for the accommodation of the officers and crew, or the stowage of the cargo of our merchant ships; they are admirable in all these respects, and are generally commanded by experienced, gentlemanly, and faithful men. In their outfit and discipline there are many imperfections, which may easily be corrected, and grievances on the part of the officers and crew, which ought to be removed.

I do not intend to impute to ship owners any contracted or sordid views. As a class, I believe them to be high minded and liberal, and I am convinced that they would most readily adopt any suggestions calculated to ameliorate the condition of that devoted class, to whose patient industry, and exposure to perils and privations, may be mainly ascribed the unparalleled prosperity of our commercial interests. As one familiar with the merchant service, but in no way connected with it, I trust that my remarks may be received in the spirit of fairness, by which they are dictated.

I propose, here, to suggest such ideas as occur to me on the subject of enlisting men, and their condition while on shore, reserving for a future occasion the subjects of their moral improvement and instruction, and their discipline and treatment ashore and afloat, embracing the collateral points of provisions and clothing.

With regard to the mode of enlisting men, a prominent evil prevails, in the correction of which the most serious obstacles are presented. It would be found difficult, under existing circumstances, to rescue sailors from the influence and rapacity of their landlords, or as they are more usually termed crimps, and at the same time secure the services of these men, in the prompt enrolment of crews for outward bound ships; even in the naval recruiting service, with all the checks that are systematically put in force to protect the interest of the sailor, it is not unfrequently the case that a recruit is taken to the receiving ship, after having been fleeced of the earnings of his last voy-

* Originally written for the *Naval Magazine*.

age, and brought in debt to the whole amount of his wages, advanced at the moment of enlistment.

The writer has known instances in which sailors have been discharged from ships of war, with abundance of clothing, and balances of three and four hundred dollars in their pockets, and, in four days, have presented themselves at the rendezvous for reshipment, without money or clothes, and with a bill against them equal to their three months advance. Many attempts have been made by officers, to induce these misguided men to save their wages, and they have succeeded so far as to prevail on many to deposite considerable sums in the Savings Bank; but the moment they have been separated from the influence of the officers, they have been persuaded by the harpies around them, to withdraw the whole, and expend, in a few days, the hard earnings of as many years.

It would be easy to fill a volume with a relation of the various tricks put upon sailors to rob them of their money. Jack is aware of the character of his enemies, but heedlessly abandons himself to their wiles, spends his few days of comparative wealth in drunkenness and riot, and awakens from the debauch penniless, and suffering all the torments of the "horrors."

Sometimes we see an old tar, who has been many a time cheated by these scoundrels, steering clear, as he imagines, of the "land sharks;" but, instead of being fleeced by his landlord, he is robbed by coachmen, and other idle rogues, who hang about the taverns and grog-shops frequented by sailors; so that, in the same short time, his money disappears.

All sailors are fond of coach-driving, and many aspire to the more adventurous exercise of riding on horseback, to them the very extreme of daring; and a few have even attained the high privilege of riding their own horse. A well known sailor in the Navy, Jack Hamilton, often laid aside a large portion of his wages for the purchase, on his return from sea, of a horse. He imagined himself an excellent judge of horse-flesh, but, like many others of the same pretensions, was invariably cheated. At last, however, he secured possession of a steed which soon won all his affection. This was an old, broken-down, black coach horse, with a long tail. On this trusty animal—trusty, because he was sure never to put in bodily fear his lord and master by any extraordinary feat of activity—Jack was wont to display himself in Broadway, about noon, making his quaint remarks upon the belles and beaus as they drifted up and down the side-walks. But this happiness could not last long; his money was soon gone, and he must go to sea for more. He could not think, however, of permitting his favorite black to fall, again, into the hands of land lubbers. So he put him out to board, and left a half pay ticket for his support, while absent on another three years cruise. He had forgotten, however, or perhaps never knew, that the age allotted to a horse was not three-score and ten; and, as the nag was sinking into the vale of years when he became the property of his last and kindest master, he did not survive to welcome him back from sea.

Jack, on his return, gave to the memory of the old black a few sighs, and has since continued to prove the sincerity of his affection, for he has never bestrode another steed. He was his last love, and he has remained as true to him, to use his own language, "as the needle to the pole."

It is a singular trait in the character of sailors, that those who are the most economical at sea, are proportionally improvident when they get ashore. I knew, many years ago, a fine old seaman, captain of the waist on board one of our frigates, who, when on shipboard, was a very pattern of parsimo-

ny, and by saving had accumulated a large amount of wages. His period of service happened to expire while the ship was at New London, and he demanded and received his discharge. He went on shore with several hundred dollars, but, when there, knew not what to do. There were no villanous crimps, in that quiet place, to help him to spend his money; and he wandered half drunk about the streets, amusing, by his humorous sallies, the staid people of the town. At last he purchased an old wheel-barrow, into which he emptied the contents of the neighboring cake and candy shops, adding a goodly supply of toys and ribands; thus charged, he perambulated the streets with a crowd of laughing children in his wake, all willing to become his customers, since he distributed his wares gratis. In trundling his barrow about, the wheel was broken, but this annoyed him but little; he soon cleared the wreck, and substituted as a jury wheel, in its stead, a large white-oak cheese, purchased of the nearest grocer.

With this rig he continued his route. In a few days he had exhausted this source of amusement, as well as the contents of his purse, when he returned on board, and resumed with cheerfulness his former occupations, commencing again to lay up money for another cruise on shore.

Knowing, as we do, the character of these simple and confiding men, we can easily account for the influence exercised over them, by their landlords. So long as their money holds out, they are permitted to do as they please; but the moment the last dollar is expended, they become the slaves of these ruffianly tyrants. To procure food and drink they must have money or credit; and they soon contract a debt, which can only be liquidated by the advance, usually paid, to those engaging on a new voyage. Their clothing has probably been sold or pawned for liquor, and they embark with hardly sufficient of raiment to cover their nakedness. Being debtors to the landlords, these men have an unbounded control over their movements; they can prevent their shipping, and, by combination among themselves, detain vessels for want of hands.

There has always been more or less difficulty in getting the crews on board of outward bound merchant ships. Many are put on board drunk, and incapable of performing any duty, for hours after the pilot had taken his departure. In the southern ports it is infinitely worse than at New-York. At New Orleans, for instance, sailors, in the expectation of obtaining higher wages, generally desert from the ship in which they are engaged to perform a voyage: and such is the want of energy, in the administration of the laws in regard to seamen, that punishment is rarely inflicted upon them for the most open infractions of engagements, to which the most important of our national interests require that they should be bound, at least as rigorously as any other class of men. Ships, in this way, are left without crews; and to enable them to prosecute their voyages, others must be obtained, upon the emergency, at any cost of trouble or expense. To this end the services of the landlords, the very men who harbor the runaways, are put in requisition, and these wretches, after trumping up a bill against the deluded sailor, thrust him into his new ship drunk and half naked. Thus he changes from one ship to another, after spending a week of debauchery in some filthy place of concealment, where he contracts a debt to his seducer, which he is constrained to work out by his last contract, unless he can contrive to desert again, and pass another week of riot.

Most vessels now sailing from New Orleans, are towed by steam-boats to the mouth of the Mississippi; and as each steamer takes several at a trip, the

hour of departure is well understood, that all may be in readiness at the appointed time. It therefore behooves the captains to have their respective crews on board. To effect this the crimps are busy in bringing forward their men; but it often happens that some of the number have strayed from their dens of concealment, and are not to be found when the ship to which they are assigned is to depart, and it becomes necessary to have others in their place. It matters little to the landlord who he substitutes. Sometimes, when embarrassed, they will seize on any one in sailor's garb they may chance to meet; perhaps some drunken boatman of the river found asleep on the Levee. In the hurry and confusion of departure, which usually takes place in the evening, the trick is not discovered; and the poor wretch, when roused from his insensibility, finds himself at sea, perfectly unconscious of the voyage he is to make.

It is difficult to suggest any effective remedy for these and similar abuses. To improve the character of the landlords appears to be the most efficient course, and this can only be done by the merchants, by countenancing and employing the few among them who are conscientious and well-disposed, and by visiting upon the much larger portion, the vile and dishonest, the full penalties of the law, whenever these evil practices can be detected.

In a great city like New York, whose commercial wealth is second only to that of London, there should exist a competent court, devoted exclusively to that portion of the community connected with shipping, steamers, and river craft. It should be made the province of the magistrates of this court, to have cognizance of all misdemeanors committed, either on board vessels in the stream, or at the wharves, to keep a registry of all sea-faring men, and to exercise a general supervision over the conduct of landlords, crimps, sailors and watermen. But, in default of this useful tribunal, which it is not probable will very soon be established, the merchants, as a body, might constitute an agent to look after these concerns, whose duty it should be to superintend the enrolment and discharge of seamen; the arrival and departure of ships; the suitable supplies and stowage of provisions and water; the getting the crews on board outward bound vessels; assisting in securing those just arriving; and, in a word, to watch over the mutual interests of the merchants, masters, and sailors.

The well-directed efforts of these agents, when put forth, in concert with those of the "Bethel and Seaman's Friend Societies," would have an extraordinary tendency to defeat the artifices of the landlords, and benefit immeasurably the moral and religious character of seamen. We should no longer hear of combinations among them for higher wages; merchants would, of their own accord, pay them with a just liberality suited to the exigencies of the times, nor would ships be detained when ready for sea, at great expense, with the frequent loss of a fair wind.

The abuses which exist can, and ought to be, corrected. Captains and mates are not so much at fault in the case, as owners and their agents. We are constantly reading in the public papers, of large donations by merchants to various objects of benevolence at home, and in distant countries, but rarely, very rarely, do we hear of any having for their chief object the benefit of those neglected men, to whose hardy toil they are indebted for their princely fortunes. Do they fulfil to these the duties enjoined upon them, as faithful masters, watchful over the moral and religious condition of their servants? Do they give proper attention to their health and comfort? The answer must be in the negative. This neglect ought not, perhaps, to be ascribed to

a want of any sentiment of justice or liberality towards seamen, among ship-owners. They would, doubtless, most promptly promote any measure, that should promise benefit to the sailor. Let them understand by what means this desirable object may be attained, and they will cheerfully lend their best influence to the work. Of this we feel assured; for among them, if there be a few ready to plunder Greek or Turk, Jew or Gentile, there are others as generous and open-hearted with their wealth, as the most heedless sailor in their employ.

Y.

ART. III.—THE COMPARATIVE IMPORTANCE OF AGRICULTURE, COMMERCE, AND MANUFACTURES.

It is a very important question, in political economy, how far government should interfere, with a view to control or direct the enterprises of individual citizens. We speak of enterprises in a general and comprehensive sense; and include what is usually meant by trade, business, commerce, and speculation. From the nature of man, it may be justly expected that there will be different employments, occupations, and pursuits, in society. And it is best it should be so. The division of labor, or labor for different objects and ends, is as useful as it is natural, and it is an equally evident truism, that every one has a right to choose his own pursuit or employment, in so far as it does not injure his neighbor or the community at large. A greater amount of product is the result of the action of this unrestrained principle; and every individual has also the greater satisfaction in his particular pursuit or labor.

In the early periods of society, there was probably very little restraint and very little interference with individual enterprise and employment. The only, or principal compulsion, was to oblige men to become soldiers, in many cases, for the glory of a military prince, whose commands the people were obliged to obey; or to labor on public works, undertaken by the pride of an opulent and powerful monarch. Commercial intercourse in the time of Solomon, and even five centuries before, between the east and the west, was chiefly owing to individuals. Though kings, who could command much, were often concerned in such pursuits, governments did not interfere for the sake of revenue, or to increase the wealth of the nation over which it was established. The consideration of personal profit alone stimulated the efforts and adventures of the merchants.

It is not intended to enter minutely into the great question of how far governmental regulations are necessary and proper in the concerns of trade. It were entirely needless. The subject has been often and elaborately discussed. A few desultory remarks are all that is proposed, in the belief that the interference of government is sometimes impolitic, and serves only to embarrass the regular pursuits of trade.

That labor and trade should be perfectly free, or that trade should regulate itself, is generally admitted to be a correct maxim in political economy. But it is said that there are exceptions to this general rule; and it is contended, that in certain conditions of society, and under particular circumstances which sometimes occur in the trading world, the government may rightfully and wisely interpose its regulations to add to the general prosperity, or to prevent great suffering among a large portion of the community. That such cases may exist, cannot be denied by those acquainted with the

history of the commercial part of the world. The principal difficulty on the subject is, to ascertain when the interference of government is necessary or proper, and to what extent its regulations may be justly applied. There would not often, if ever, be an occasion for such interference and regulation, if some one nation did not first aim at a monopoly, or an exclusive benefit to itself, from mere views of interest and policy. No government has pushed the policy of restricting and regulating trade farther than the British. Yet many statesmen of that nation have been opposed to the system in theory, and have expressed a wish that it might be done away, or much mollified. In 1819, Lord Castlereagh, the premier, said in the House of Commons, "that the true interest of every country was, to throw wide open its ports to the unrestrained commerce of all other countries." Many were surprised at the declaration, for it was very different from the uniform doctrine and practice of Great Britain. Yet nothing but an artificial state of society, and previous long established regulations, could justly excite opposition to the opinion. Then, indeed, another nation may consider itself obliged to resort to restrictions, or to severe regulations, in self defence, or to prevent the disadvantages to its subjects arising from the restrictive monopolizing policy of such nation, with which it had commercial intercourse. In such cases, governments may properly and ought to adopt countervailing measures for the benefit of its subjects.

Prohibitory regulations by governments, designed for the special benefit of individuals, or of banking or manufacturing companies, or of a particular class of citizens, and without ultimate and chief regard to the welfare of the *whole* people, are manifestly improper, and cannot be justified. But the case assumes altogether a different character, and is proper and commendable, when the object is the general good—the permanent advantage of the nation. Then, the inequality of benefits which may result, is incidental to the system or policy adopted, and not intended. It arises from the superior enterprise and industry of individuals, or from what is often called chance, or good fortune, that certain individuals had chosen the pursuit or business which the government finds necessary to encourage for the prosperity of the whole nation. This consideration affords a sufficient reason for protecting the interests of commerce and navigation, at all times, so far as can be done without oppression, or taxes on individuals not engaged in such pursuits. It is also a justification of the policy of protecting domestic manufactures, with a similar limit or qualification. And for the same reason, may government extend favor and encouragement to agriculture, the chief source of the comfort and prosperity of a nation.

It is with such views, and with such limitations, that the favor and aid of government are granted to particular branches of business; and that it should do this for the purposes of national prosperity, will not be doubted by the intelligent and patriotic citizen. If a small portion of the community suffers by such legislation, or rather if some are less benefited by it than others are, this is no valid objection to the theory, or to the policy of adopting it.

This subject has been often presented in the national legislature, and the question decided by large majorities in favor of regulating trade with foreign countries, for the protection and advancement of domestic manufactures of various kinds. The question has been agitated chiefly with reference to cotton and woollen goods, and to the propriety, in a national view, of affording encouragement and aid to such manufactures, though all other works of ingenuity and utility have also received the protection of the government.

Commerce and navigation were the first objects of attention by the national government; not so much, surely, for the benefit of those directly engaged in those pursuits, as for the prosperity of the whole country, and for replenishing the public treasury. The embarrassments and irregularity attending our foreign commercial intercourse, led to the adoption of the federal constitution; and to raise a revenue to meet the demands of the public creditors, without resorting to direct taxation, always unpopular and often odious, the congress looked chiefly to commerce. Its regulation, therefore, was an imperious duty, and special legislation was necessary on the subject. While the government and the United States derived immense advantages from it, it was but reasonable and just to afford it protection. Hence the discriminating duties between tonnage on vessels of the United States, and those of foreign countries, and sometimes the employment of a naval force to defend maritime rights and property. With similar views, and for similar purposes—the general welfare of the country—domestic manufactures were early encouraged, and the people indirectly taxed for their support, by high duties on such articles imported into the United States, as were here produced or manufactured. Had not this policy been early adopted, the country would now be comparatively poor, unprosperous, and dependent on foreign nations, to the great privation and detriment of the people. But the protection thus given by government to domestic manufactures, may be extended to an unreasonable degree; and the agricultural and commercial part of the community thought it was unduly increased by the act of congress of 1828, and that an inequality was the result of the system between the manufacturers of cotton and woollen goods, and other great branches or departments of business. The only question with impartial and intelligent men was, as to the degree of favor to be granted to these manufactures. For whenever it was afforded beyond a certain point, it was oppressive to the majority, and beneficial only to those engaged in such pursuits. The compromise act of 1836, grew out of the opposition to the high tariff on imports previously laid, and was generally acceptable to the people of the United States.

The important question which here presents itself is, whether the degree of protection afforded to manufactures by the federal government, has not had an unfavorable influence on the interests of agriculture. Has not a disproportionate amount of labor and capital been bestowed on manufactures, when the agricultural resources of the country are considered, and the advantages of an extensive cultivation of the soil duly estimated?

It is readily granted, that an increase of domestic manufactures, to keep pace with the growth of the country, is good policy. Where there are many persons employed in manufactures, the fruits of the husbandman's labors will find a ready market and a higher price. But here may be an excess. If, instead of cultivating the earth, still greater numbers devote their labors to manufactures, the products of agriculture will not be sufficient for the wants and comfort of the people; and the advanced prices of necessary articles of living will prove oppressive to those who are obliged to purchase them. The manufacturer may be well able to give the higher price, because his profits are greater. But those in other classes of society, and mechanics of other professions, are burdened, without means to support or remedy the evil.

While, then, due protection is afforded by government to commerce and navigation, and also to domestic manufactures, the interests of agriculture should not be depressed nor neglected; and why should not the latter be fa-

vored by the general government, as well as the two former? That our country is susceptible of immense advances in agriculture, of very great progress both in the quantity and kind of products from the soil, no one can doubt. And it is believed that congress is constitutionally competent to aid and encourage agricultural pursuits as well as manufactures; having power "to promote the general welfare, and the progress of useful arts." Agriculture is truly an art or science as much as manufactures, and discoveries or improvements may be made in the former equally with inventions in mechanics. Agriculture has generally been admitted to be the most necessary of all occupations or pursuits. It is, indeed, essential to the comfort and welfare of mankind. The three great departments or branches of human labor are agriculture, manufactures, and commerce; but agriculture has the priority. As men become civilized, the two last are important, and will be encouraged as society becomes improved. What is ornamental and convenient, will be added to what is necessary.

If agriculture be capable of great advances and improvement, then is it justly worthy of the aid of government. All nations have acknowledged this, and acted in some measure on the conviction. That eminent statesman, Governor De Witt Clinton, said in his public message to the legislature of New York, in 1819, "that agriculture was the most important of all *arts*, and the most useful of all sciences, and deserves direct encouragement of the states. It is the foundation of wealth, of power, and prosperity, and should be encouraged as well as schools, or internal improvements of any kind." He recommended a board of agriculture to be appointed by the government of the state. The attention of the legislature of Massachusetts has long been turned to this object. Large sums have been granted, for many years, to agricultural county societies, and to a state society, for the improvement of the soil, the cattle, etc., by the laborious yeomanry of the commonwealth. The bounty on wheat, by several of the states, is a wise measure, and has produced happy effects. And why should not the federal government lend its aid to the same objects? Why not appropriate the proceeds of the sales of a certain portion of public lands for this purpose? The high rate of duties on imported articles and goods was designed and operated as a bounty upon domestic manufactures; and these have added to the prosperity of the country. But we do not wish to be a manufacturing people for the rest of the world. All which is needed for public wealth and general comfort, is such a measure as to prevent our entire or chief dependance on other nations, and a portion to export in exchange for articles from other countries, which will add to the real enjoyment or ornament of society. We had better have our workshops and factories in Europe, as Mr. Jefferson once said, than have our rich and fertile soil, a mere location for artificial products for the rest of the world. A great and chief employment should be agriculture. It is favorable to health, and morals, and to republican liberty. And where one man or woman is now thus employed, there had better be ten. Where one bushel of wheat is now raised, there might and ought be ten. We had better raise grain for exporting, than cloths. The increase of agriculture will not prove detrimental to commerce; nor indeed, necessarily, to manufacture. But is it not worthy of inquiry, whether less investment in manufacturing establishments, and fewer hands employed in them, and more in agriculture, would not be for the permanent prosperity of the nation, and much more favorable to morals, and therefore, to the peace and stability of our republic? Let manufactures be supported, and even extended, as the coun-

try increases in population ; but let them not be considered the highest object, or worthy of the greatest anxiety to be enlarged.

The soil of a great part of the United States is favorable to agricultural pursuits, and great improvements may be yet made in the manner of cultivation, and the products to be raised. Most parts, even of the New England states, might be made to produce double and treble its present amount and value. Some states might easily increase their products seven fold. And we need not fear a surplusage. Europe will afford a market. England and France, some years, may stand in need of ten times the amount which we now usually export there.

Great Britain is as much indebted for her prosperity and wealth to agriculture, as to her commerce and manufacture ; and the government there has long given protection to the interests of agriculture. We do not wish to have the agricultural interests predominate, certainly not to be cherished to the injury or diminution of manufactures and navigation. But the farming interests seem not to have the high estimation and comparative value which they deserve in such a country as this. These interests have been too much neglected by the government ; and the attention of public spirited men is therefore invoked to the subject. If the federal government cannot agree to afford aid, or in what particular way to give it, let it furnish funds to each state for the purpose, and leave it with the legislatures of the several states to appropriate it in such manner as shall be considered most useful to the whole people. We advocate not the policy of cramping commerce or manufactures ; we plead only for a share of attention to agriculture, corresponding to its vast importance and essential value.

ART. IV.—LANDLORDS AND TENANTS.

THE rights and privileges which the law confers upon landlords, and the heavy obligations and liabilities it imposes upon tenants, are considerations of the deepest importance to those upon whom these vastly disproportionate responsibilities devolve.

Under our republican institutions, there is no class of men who are so abundantly and amply able to sustain themselves, their families, and their fortunes, unprejudiced and uninjured, as the landholders, and yet they are the very persons whom the law delights in selecting as its especial favorites, and who are made the recipients of a profuse legal bounty, which flows in no other direction, and favors with its beneficial influence no other portion of community.

When we reflect upon the immense risks to which the property and fortunes of the merchant are exposed, when we view the uncertainty and change attendant upon the varied and extensive operations in which he is engaged, and take into consideration the diversified shades of human character, in which, whether light or dark, he is often compelled, in the course of his various dealings, to repose confidence and trust, we are impelled by the strongest feelings which justice and morality can awaken in our natures, to acknowledge that he whose whole substance is often exposed to the destructive action of the elements which hover around mercantile adventure, is equally entitled to the fostering protection of our enlightened legislation, as

the individual whose fortunes are safely invested, and their rich interest permanently secured, with the earth itself as an everlasting bond. But however much it may be deemed repugnant to the genius of our institutions, the professed wisdom and liberality of our republican legislation, and the assumed equality of our laws, it is equally true that the holder of real estate is permitted to enjoy many highly important privileges and benefits, in which the rest of society are not allowed to participate. Upon what principle of morality, justice, or even expediency, this glaring partiality evinced by our laws is justified, it is impossible to determine; and yet this violation of the plainest and most obvious rules of natural and inalienable right, is continued and perpetuated without inspiring in the minds of a suffering community the smallest portion of that indignation, which would be aroused and called into hostile action to any other measure, embodying but half the tyranny which centres in this branch of our jurisprudence.

The most powerful and effectual weapon which the landlord wields, is the instrument of distress; and through its influence he is morally certain of obtaining his rent, which misnamed justice permits him in this manner to acquire. In effecting his purpose, this weapon is in his hands a two-edged sword, for he may not only deprive the family of his unfortunate tenant of the last article of property which the law allows him to take, and turn his victims homeless and penniless away; but the innocent neighbor, who from motives of kindness and benevolence lends his friend articles of furniture, for the purpose of enabling his family to enjoy the comforts and conveniences of civilized life, is liable, under our existing laws, to pay dearly for his good nature, by having his property taken to swell the catalogue of a landlord's riches. This summary mode which the law allows a landlord to adopt, for the purpose of securing his debt, is rightly called a distress. It was correctly christened at its birth, and from the cradled child to its giant manhood, no discredit has been suffered to tarnish its name.

From the remotest age in which this agent of the law has been used, down to the present time, it has been the widow's curse, the orphan's fear, and the fruitful source of misery and wretchedness. It sprung from a barbarous age, where the rich and the powerful military lord prescribed unequal and harsh laws for governing the humble and weak tenants of his wide domain. It originated in despotism, and arose out of a system of feudal tenures, whose every feature has been annihilated and destroyed, save this last lingering relic of tyrannical power.

The superior privileges which landlords enjoy over any other class of creditors, are a part of that ancient prerogative which the domineering lords of the soil exercised during the dark ages on the continent of Europe, and which was conferred upon the English and Norman barons by William the Conqueror, after he had subdued England.

Under this system of tenures, as they formerly existed, many degrading services were performed by the tenant, of the most menial character, which were exacted by the landlord under color of the arbitrary and despotic power vested in him by oppressive legislation. As the poorer classes advanced in a knowledge and proper appreciation of their civil rights, a portion of these tyrannical impositions were shaken off, and much of the degradation attached to the character of a tenant was abolished. The personal services and attendance upon the owner of the soil, which formed a portion of the disagreeable return rendered by the tenant for his occupation of the land, was superseded by an entire payment of money in their stead; and

many of the revolting features, which marked the distinction between the rights of landlords and tenants, were annihilated. And how the right to distress, which was a natural incident to these ancient tenures, and has ever been a powerful engine of oppression in the hands of the landlord, could have escaped, unimpaired, the many mighty reforms which enlightened legislation has introduced, is indeed remarkable, and, shows with conclusive force the immense influence which the owner of the soil has always exercised in preserving this distinctive mark of his superior power.

This right of the landlord to distrain the goods of his tenant for rent, instead of having been narrowed and restricted by modern legislative enactments, has been extended and enlarged. And the great superiority of this remedy over that possessed by any other class of creditors, even as it existed at common law, has been still farther increased by statutory provisions.

It cannot be denied, that all laws should be so framed as to confer upon every member of society equal rights and privileges, and when the legislature of any state secures to one portion of its citizens superior franchises, while it denies their enjoyment to others, it violates the plainest and most obvious principles of universal justice, and commits a palpable outrage upon the liberties of the people.

When we examine the laws of this state governing the relationship existing between landlord and tenant, and view the notorious privileges possessed by the former over those enjoyed by any other creditor, we cannot fail to be deeply impressed with the important necessity of a radical change in this vital part of our jurisprudence. The laws, in this respect, operate with peculiar hardship upon the whole community, with the exception of that portion for whose benefit they are designed; and the interest of the humble and industrious citizen is sacrificed, and the property of his debtor taken, to enrich the haughty and opulent landholder. Almost every species of property found in the possession of the tenant, whether belonging to him or to any other person, may be taken for rent; and no individual is safe in depositing any valuable article with another, until he is satisfied by inquiry, that no rent is due upon the premises where his property is placed. It is true, that there are some exceptions to this rigorous rule, as in case of personal property deposited with the tenant after obtaining the landlord's consent; and also, where property accidentally gets strayed upon the demised premises, or where goods are deposited with a tavern keeper or in any warehouse in the usual course of business, or where an article is left with a mechanic for the purpose of being repaired, and also the property of boarders in taverns and boarding houses; in either of which cases, the landlord cannot distrain; but when property is lent, although but for a day, and is found upon the premises which are rented, the right to distrain it vests immediately in the landlord, and the innocent lender must suffer for his generosity and kindness. Can there be any reasonable ground for extending this right of distress so generally and universally? Is there any justice in declaring, that because one person loans to another a horse or a carriage to be used for one, two, or three days, that a grasping landlord shall be permitted to take advantage of the short time it remains upon his premises, and sell it to satisfy rent which has been three months in accruing? Is this extending the protecting mantle of the laws equally over all, and guarantying to society the uniform enjoyment of beneficial privileges? If such is the tendency of this kind of legislation, we must acknowledge our utter inability to view it in any other light than that of tyranny and oppression. The advocate and apologist for this

glaring partiality in laws, which confer upon the landlord such unusual and arbitrary rights, meets us with the argument, that unless property in the situation we have mentioned could be distrained, multiplied frauds would be practised upon the landlord, and that his premises would be incumbered with goods, for storing which he could get no compensation. This objection is easily obviated: for, if we proceed upon the principle that property is liable to distress in proportion to the time and extent which it occupies the premises, then are we bound to acknowledge that the lien of the landlord upon such property can be extended no farther than is sufficient to satisfy him for the time it has remained in the possession of his tenant, and the amount which he could sell would be only commensurate with his lien.

As the law now stands, if the landlord is fearful that the tenant will not be able to pay his rent, he has presented before him the strongest possible inducements to engage him in enticing the unsuspecting to place their property in such a situation, as to enable him to reach it by using the means which the law justifies; and when once he has seized it within his grasp, the advantage which he has taken of his own wrong is legalized, and he may securely enjoy that of which he has inequitably deprived an innocent person. We are far from saying that the landlord is often guilty of dishonestly using the advantages with which the laws have clothed him; but whether he is so or is not, can be of little importance, as their impropriety in opening so wide a door for committing fraud and oppression is equally apparent, and the necessity of reform equally imperative.

Another revolting feature presented by this branch of our jurisprudence, is the immense hardship which often falls with great severity upon the under tenant; and here again is discovered the arbitrary prerogative which the landlord is permitted to wield. Let us suppose the case of a person who hires an entire building at a large rent, and underlets a small part of it. The landlord, at the time of leasing the premises, supposes his lessee perfectly responsible, and looks to him alone for payment of the rent, and in judging of his pecuniary means, he has greater facilities, and takes more trouble for the purpose of determining his solvency, than his sub-tenant, to whom the responsibility of the lessee is immaterial; when the rent becomes due, the lessee is unable to pay it, and the under tenant, having property upon the premises, is compelled to respond to the full amount due upon the whole building. This is a case of very common occurrence, and is highly unjust and inequitable; and the law, in obliging the under tenant to pay a sum so exorbitantly beyond that for which he was originally liable, is extremely tyrannical, punishing the innocent sub-tenant for the fault of the landlord in not taking from his lessee the requisite security; and as the under tenant is bound to pay his rent to the lessee, and cannot protect himself from distress by paying it to the landlord, he is not only compelled to respond in the full sum due upon the whole premises, but a portion of it is in this manner twice extorted from him. It is impossible to imagine any law more directly in violation of the broad principles of morality and justice, than the one here presented. It countenances and justifies the most palpable wrong, and is fraught with cruelty and oppression. The rights and privileges conferred upon the landlord in this respect, and the disabilities and hardships imposed upon the tenant, can hardly be paralleled, even in the despotic countries on the continent of Europe. The laws of France and Spain upon this subject, are much milder than in this enlightened and republican state. In France, the landlord can only recover from the under tenant the amount which he was to pay to the

lessee. The principles of universal justice are here applied, notwithstanding the weight of monarchical and hereditary influence which prevails; and the rules of equity and right, which are considered applicable to ordinary cases of debtor and creditor, govern the relationship existing between landlord and tenant. By the laws of France and Spain, if the crops of the tenant partially or entirely fail, whether occasioned by war, civil commotion, or an unfavorable season, the landlord is bound to remit a proportionate quantity of the rent; and in these countries, if premises are rented, and the tenant, without any fault on his part, is deprived of their unrestricted enjoyment, the law compels the landlord to remit an equitable proportion of the rent originally reserved; and in Spain, it is doubtful whether beasts of the plough, and implements of husbandry, which are absolutely necessary to enable the tenant to prosecute his farming operations, can be distrained. These laws of the countries we have mentioned, are highly beneficial to the interests of the tenant, and cannot in the least prejudice the just rights of the landlord. They are founded upon the broad principles of natural justice, and are governed by sound and equitable rules. But in this republican land of boasted equality, the laws, in this respect, are based upon a very different foundation: it is here entirely immaterial whether the crops of the tenant are abundant, and rich returns are given for his toil, or whether they are blasted and his golden prospects entirely annihilated and destroyed, for he is still bound to pay his rent to the uttermost farthing. The law, in this case, makes him no allowance of equity, but compels him to bear alone a calamity which it was beyond his power to avert—and which would have fallen with equal severity upon the landlord, if he had been in possession of the soil, instead of his unfortunate tenant. If a person hires a building, and it subsequently becomes dilapidated, and out of repair, so as to prevent him from its beneficial use and enjoyment, he must, notwithstanding he has received little if any benefit from its possession, pay the full rent; and where the landlord, in the lease, covenants to repair the demised premises, and put them in perfect order, and the tenant, upon the faith of such agreement, enters into possession, he cannot resist payment of the rent when it becomes due, on the ground that the landlord has not performed his covenant; and although by this want of good faith on the part of the landlord, the tenant may have been deprived of almost every benefit which the enjoyment of the premises would otherwise have conferred upon him, yet the landlord may distrain for the entire rent due, and the goods of the tenant can be taken, and his property sacrificed, for purposes of arbitrary injustice and palpable wrong. If the law will permit the landlord to resort to a distress for the collection of his rent, it should at least place some checks upon his using this extraordinary power to the gross injury of his tenant; and when the landlord, by neglecting to perform an agreement on his part, deprives the tenant of the beneficial use of premises which he ought to be permitted to enjoy, the principles of stern justice imperatively demand that the right of distress should be taken from him, and his facilities for the recovery of the amount to which he is entitled, placed upon the same foundation with those enjoyed by any other creditor. But no provision of this kind exists, and the landlord may collect his rent by this summary mode, although the damage sustained by the tenant, on account of the landlord's neglect to repair, should be more than commensurate with the amount due. In this case, the tenant can only sue the landlord upon his covenant by the ordinary slow course of law; no extraordinary privileges are conferred upon him, and no peculiar facilities are afforded him,

but he is left unprotected, while his goods are seized and sold to glut the rapacity of a landlord, under circumstances which outrage every principle of common justice. We recollect a case which occurred in this city not long since, under circumstances similar to those we have mentioned. A poor tenant had hired a small store, for the purpose of carrying on his ordinary business, and as it was much out of repair, the landlord entered into an agreement to put it in good order, and for this purpose to bestow upon it every necessary expense. The tenant relying upon this agreement, proceeding as it did from a man of immense wealth, and believing that the landlord would honorably perform every stipulation on his part, removed his goods into the store before the necessary repairs were expended. He subsequently made repeated application to the landlord, for the purpose of inducing him to comply with the terms of his agreement, but without success; and as the building was in a state of too much dilapidation to be used for the purpose which the tenant originally intended, he was of course deprived of every pecuniary advantage, which under other circumstances his business would have afforded him. When the rent for the first quarter became due, the landlord demanded it, and was informed by the tenant that as he had not performed his agreement in repairing the premises, and as no benefit had been derived from their occupation, the rent ought not to be paid. The landlord coolly replied, that if he had violated his covenant, the law was open, and the remedy of the tenant plain; but that unless every farthing of rent was voluntarily paid, a distress would immediately effect its collection. The tenant, upon ascertaining by legal advice that the rent could in this manner be extorted from him, and that the landlord's conduct could not be set up as a defence against its recovery, was compelled to pay the full amount claimed. And being fearful that if he attempted to obtain redress, by prosecuting the landlord upon his agreement, the ends of justice would be substantially defeated by the superior wealth and influence which his adversary could command, he abandoned the thought of securing his just and equitable rights, and paid to his grasping landlord the full rent of the premises for the entire year, of enjoying which he had been thus unjustly deprived.

This is but one of the numerous instances in which the laws, by affording peculiar remedies to the landlord, and in clothing him with extraordinary facilities for the purpose of obtaining his rent, enables him at once to secure every right he may choose to claim, and in this manner to outrage the principles of common justice, and trample upon the equitable rights of his unfortunate tenant. If there are subsisting unliquidated accounts existing between the landlord and tenant, upon a settlement of which, the former would be found justly indebted to the latter, the right of distress still exists, and the goods of the tenant may be distrained and sold, without affording him the least opportunity to offset his claims in satisfaction of the demand for which they are seized. It is impossible to examine the laws we are considering, without at once perceiving that their sole tendency and effect, is the security and advantage of the landlord. The rights, the interests, and the welfare of the tenant, are forgotten; and in this branch of our jurisprudence, more than any other, do we discover gross and palpable defects, and the most glaring injustice.

There is yet another extraordinary feature in the laws of this state, guaranteeing to the landlord an exclusive and important right, which is more remarkable for its abuse of justice than any we have mentioned. It is the

priority he enjoys over any other creditor of his tenant's, in securing his full rent for the preceding year; and he is entitled to this amount, if in obtaining it the last article of property belonging to his tenant is sold, and other creditors deprived of the least participation in the proceeds. If the claim of the landlord is fraught with the most gross injustice, and the right of the creditor is founded upon the purest principles of equity, the prerogative of the former prevails, and he grasps in security his entire demand, while the unfortunate creditor is left without a farthing. It is almost impossible to conceive the vast amount of oppression and foul wrong which flows from this inequitable provision of our laws. If a debtor is sued by his creditor, and judgment is recovered against him, and the officer who levies the execution is enabled to reach property which the debtor had concealed, or removed, and placed beyond the landlord's power, the latter, by making a simple affidavit that rent is due him, is entitled to receive from the officer a sum sufficient to satisfy his entire claim, although it should be for the whole of the preceding year; and the creditor, after having expended large sums in obtaining his judgment, and in his subsequent proceedings to gain possession of the debtor's property, is suddenly deprived, by this intervention of the landlord, of every benefit which he would otherwise derive; and the former deliberately grasps what he never could have acquired by a warrant of distress, and in pocketing his legalized plunder, commits an act in violation of the plainest rules of morality and justice. How often do we see the merchant, after trusting his debtor for large quantities of goods, relying upon their ultimate advantageous sale for his reimbursement, disappointed in his reasonable anticipations of payment, by this exercise of a landlord's tyrannical prerogative. He has perhaps received nothing whatever from his debtor, and the very property with which he has trusted him goes in satisfying the last farthing of a landlord's claim; no remedy is allowed him, and even the poor right of enjoying a portion of that which is morally and equitably his own is denied. The demand of another is suffered to prevail over the strong considerations of justice which support his claim, and he is stripped of the property which his care, and toil, and persevering industry, have acquired, that it may go to enrich the favored landholder. How much of wrong and oppression are embodied in this branch of our jurisprudence, and what acts of harsh injustice does it tolerate and legalize; and yet it is permitted to remain a dark blot upon our statute books, and no efforts are made to annihilate this last solitary curse, which had its birth in the dark ages of feudal power. The laws of most states in the union, are much milder upon the subject than our own, and many of the more odious provisions existing in favor of the landlord, have been swept away; and in Connecticut, the right of distress has been taken from him. But in this state, where an immense portion of the wealth of our citizens consists in personal property, and where a large part of our community is composed of merchants, whose wealth, intelligence, and influence, deservedly entitle them to an equal proportion of the beneficial rights and privileges which result from liberal and enlightened legislation, we discover no ameliorating change in this department of our jurisprudence. Not only is the common law, as it formerly existed, still continued in force, and its stern, technical rules perpetuated, but every successive act of our legislature has tended still farther to increase the unjust powers and privileges of the landlord, and to deprive the tenant of some of the few equitable and natural rights which he formerly enjoyed. A few years since, and the only distinctive remedy

which marked the landlord's superior power in collecting his rent, over that possessed by any other creditor, was the instrument of distress, and it was left to modern legislation to introduce the oppressive priority he now enjoys. New rights have been conferred upon him, which he formerly could not claim; and the arbitrary manner in which they are used, shows with irresistible force how unwise, impolitic, and unjust, was their introduction. Every citizen who is desirous of securing the general welfare of society, by the introduction of a wise, salutary, and just system of laws, cannot fail to be impressed with the important necessity which exists for at once destroying the odious distinction prevailing throughout our jurisprudence in favor of the landholder, whose rights, remedies, and liabilities, should be governed by the same rules of universal justice which control those of every other member of community.

INSURANCE.

ART. V.—RATES OF PREMIUM FOR MARINE INSURANCE.

HITHERTO the computation of premiums of insurance on marine risks has been made on no systematic or regular principles, but on the loose, general, and indefinite impressions of those who make the contracts—impressions often founded on a very limited experience, as a merchant, a shipmaster, or as an insurer.

Contracts for insurance on lives are made from tables formed on the results of experience—from bills of mortality for long periods of time. From these documents, it is ascertained that a certain proportion or rate per cent. of a community in a certain location, have died in a year. That this proportion is subject to certain degrees of variation at the different periods of life. That it is also liable to be affected by the various occupations and course of life of individuals. And as it has been found, that the results of one period have been like the results of another period, in times past, it is inferred that they will continue to be so in future time.

In like manner, the business of marine insurance is susceptible of analysis and systematic arrangement. But it is to be regretted, that no records of facts have been kept to furnish a basis for the construction of tables; unfortunately, there are no bills of mortality for ships, and there exists no data from which the value of a risk for a given voyage can be computed. Premiums are, of necessity, fixed as the experience or inexperience of the contracting parties may dictate, without any standard by which to test their accuracy. Hence we find them fluctuating and various, for the same voyages, differing one half, and often more, without any good reason. Some voyages are charged at too high rates, and others at too low rates; but which class of risks it is, that is charged too high, and which too low, is unknown, and opinions on the subject would be very different. If, on the whole, the insurer get sufficient to cover his losses, and leave him a fair remuneration for his risk and trouble, he does not concern himself, to know on which class he gained, nor on which he lost his money; and the insured rests satisfied in like ignorance.

When a government imposes a tax on a community, the attention of its

members is immediately directed to the matter, to know if it bears equally, and on all in due proportion.

The premium of insurance is no less a tax on the consumers than an impost duty; and the community is equally interested to see that it bears equally and alike on the several branches of commerce.

If arrangements could be made by insurers to class their risks, and keep each class separate, so as to obtain the results of experience for a long period of years, much would be done towards the attainment of the object in view; and although there would still, and must always remain, much for the judgment to decide, there would be fewer chances of error than there are now. The field of knowledge would be enlarged—the field of conjecture would be diminished. The consequence would be, that the investments of capital in insurance stocks would be safer, the profits more uniform, and the gradations of premium more just and equal.

In no business of the same magnitude, have those who conduct it so little of the benefits and advantages of experience to aid them. No record of the experience of their predecessors is to be found, or if they exist, they exist only in a crude, undigested, unavailable form. The transactions of all past time are to them almost as if they had never been; a loose, indefinite history or tradition is all that remains of them.

Impressed with these views, and with the importance of the subject, the insurance companies of Boston have established an office under the charge of Charles Pierson, Esq., a gentleman every way qualified for the purpose, to collect such facts as shall tend to the attainment of the data requisite for the formation of tables of premiums on more certain and satisfactory principles than the mercantile community now have; and it is proposed to publish, from time to time, such of the results of his labors as may be deemed useful to the merchant and insurer, in the formation of tariffs of premium for risks against the perils of the seas and fire. Those of capture must of necessity be decided by the judgment of the parties.

It must be kept in view, that the results of a short period, or a small amount of business, would not furnish data on which it would be safe to act, or to form opinions. The experience of a course of years, and a large number and amount of transactions, are necessary to form a basis on which it would be safe to make contracts. The office has been established but a few months, but in order to give some idea of the course of procedure, and in the hope that others who have the means may be induced to co-operate in the labor, which is very great, of obtaining the facts necessary to be known, the following statements are now given to the public. It will be perceived that they include insurance on vessels only; that they are divided into three classes—ships, brigs, and schooners; that they include only vessels insured on time; no vessels insured for specific voyages being included. The result shows that on fourteen millions and upwards of risks, the insurers lost upwards of *one hundred and forty-four thousand dollars* over and above the amount of premiums received.

Amount of Writings and Losses, on Vessels on Time, in the years 1830 and 1831, done at fifteen Offices.

VESSELS.	Amount of Writings.	Amount of Premiums.	Av. Rate per ct. of Prem.	Return Premium.	Av. Rate per ct. R. Prem.	Additional Premiums.	Av. Rate p. ct. Ad. Prem.
Ships on time....	4,237,264	218,651 63	5. $\frac{161}{1000}$	9,910 25	$\frac{234}{1000}$	2,772 89	$\frac{065}{1000}$
Brigs.	3,454,300	203,194 91	5. $\frac{882}{1000}$	6,255 55	$\frac{181}{1000}$	3,377 91	$\frac{097}{1000}$
Schooners.	800,733	59,585 72	7. $\frac{441}{1000}$	1,499 40	$\frac{187}{1000}$	366 79	$\frac{045}{1000}$
	8,492,337	481,432 26	5. $\frac{669}{1000}$	17,665 20	$\frac{208}{1000}$	6,517 59	$\frac{078}{1000}$

Amount of Writings and Losses—(continued.)

LOSSES.						Per Cent of Losses, Gen. Average, Partial, and Total.
General Ave- rage.	Gen. Av. Loss, per cent.	Partial.	Partial Loss, per cent.	Total.	Total Loss, per cent.	
14,600 46	$\frac{345}{1000}$	53,352 5	1. $\frac{259}{1000}$	136,061 66	3. $\frac{211}{1000}$	4. $\frac{815}{1000}$
18,105 44	$\frac{524}{1000}$	89,274 92	2. $\frac{581}{1000}$	133,597 33	3. $\frac{869}{1000}$	6. $\frac{976}{1000}$
4,807 8	$\frac{600}{1000}$	24,763 47	3. $\frac{092}{1000}$	71,229 69	8. $\frac{895}{1000}$	12. $\frac{587}{1000}$
37,512 98	$\frac{442}{1000}$	167,390 44	1. $\frac{971}{1000}$	340,888 68	4. $\frac{014}{1000}$	6. $\frac{487}{1000}$

Amount of Writings and Losses—(continued.)

RECAPITULATION.				Gain.	Loss.
Ships—Amt. Prem. p. ct.	5,161				
Add. do.	65				
		5,226			
Ret. Prem.	234				
Losses	4,815				
		5,049			
			$\frac{177}{1000}$ per ct. gain.....	7,500 10	
Brigs—Prem. per ct.	5,882				
Add.	97				
		5,979			
Return	181				
Losses	6,976				
		7,157	1. $\frac{178}{1000}$ per ct. loss.....		40,660 42
Schooners—Prem. p. ct.	7,441				
Add.	45				
		7,486			
Return	187				
Losses	12,587				
		12,774	5. $\frac{208}{1000}$ per ct. loss.....		42,347 23
Gain....	7,500 10				
Loss....	83,007 65			\$7,500 10	\$83,007 65

\$75,507 55 excess of Loss over the Premiums.

Writings and Losses on Vessels on Time, from 1817 to 1834, inclusive,
at one Office.

VESSELS.	Amount of Writings.	Amount of Premiums.	Av. Rate per ct. of Prem.	Return Premiums.	Av. Rate per ct. of Return Prem.	Additional Premiums.	Av. Rate per ct. of Add'l Prem.
Ships on time	1,700,068	89,990 30	5. $\frac{29}{100}$	6,096 81	0. $\frac{358}{1000}$	1,851 16	$\frac{100}{1000}$
Brigs.	2,753,724	189,888 41	6. $\frac{89}{100}$	15,639 10	$\frac{587}{1000}$	3,192 68	$\frac{116}{1000}$
Schooners.	1,183,424	87,629 1	7. $\frac{405}{1000}$	8,726 46	$\frac{737}{1000}$	1,004 13	$\frac{884}{1000}$
	5,637,216	367,507 72	6. $\frac{590}{1000}$	30,462 37	$\frac{540}{1000}$	6,047 97	$\frac{187}{1000}$

Amount of Writings and Losses—(continued.)

Losses, per cent.	Amount of Loss.	Excess of Loss over the Premiums.
7. $\frac{20}{100}$	122,421 87	\$36,677 22
6. $\frac{89}{100}$	187,950 4	10,508 5
8. $\frac{57}{100}$	101,391 58	21,484 90
7. $\frac{304}{1000}$	411,763 49	\$68,670 17 loss.

Amount of Writings and Losses—(continued.)

Recapitulation—Ships, Brigs, and Schooners, from 1817 to 1834.			
Amount of Premiums per cent.	6,520		
Additional	107		
		6,627	
Return Premiums	540		
Losses	7,304		
		7,844	
Excess of Loss over the Premiums		1. $\frac{217}{1000}$	68,670 17

Recapitulation of the above.

VESSELS.	Writings.	Premiums.	Av. Rate per ct. of Prem.	Return Premiums.	Rate per cent Ret. Prem.
Ships, Brigs, and Schooners, years 1831, 1832, in fifteen Offices.....	8,492,337	481,432 26	5. $\frac{608}{1000}$	17,665 20	$\frac{308}{1100}$
Ships, Brigs, and Schooners, years 1817 to 1834, in one Office.. ..	5,637,216	367,507 72	6. $\frac{520}{1000}$	30,462 37	$\frac{540}{1100}$
	14,129,553	848,939 98	6. $\frac{608}{1000}$	48,127 57	$\frac{340}{1000}$

Recapitulation—(continued.)

Additional Premiums.	Rate p.ct. of Add. Prem.	Losses, per cent.	Amount of Loss.	Excess of Loss over the Premiums.
6,517 59	$\frac{076}{1000}$	6. $\frac{427}{1000}$	545,792 10	\$75,507 55
6,047 97	$\frac{107}{1000}$	7. $\frac{804}{1000}$	411,763 49	68,670 17
12,565 56	$\frac{089}{1000}$	6. $\frac{777}{1000}$	957,555 59	\$144,177 72

Recapitulation of the Written Accounts.

Premiums, per cent.....	6,008
Additional	89
	6,097
Return Premiums,	340
Losses	6,777
	7,117

Excess of Loss over the Premiums..... 1. $\frac{080}{1000}$ = 144,177 72

No expenses of the offices are included in this estimate.

DO NOT, LIKE A FOOLISH MARINER, ALWAYS CALCULATE ON FAIR WEATHER.—Commerce, as well as life, has its auspicious ebbs and flows, that baffle human sagacity, and defeat the most rational arrangement of systems, and all the calculations of ordinary prudence. Be prepared, therefore, at all times, for commercial revulsions and financial difficulties, by which thousands have been reduced to beggary, who before had rioted in opulence, and thought they might bid defiance to misfortune.—Foster.

ART. VI.—HINTS TO THE INSURED ON THE CONSTRUCTION OF MARINE POLICIES.

INSURANCE is so intimately connected with commerce, and springs so naturally from maritime adventure, that it forms a subject of the deepest interest to the merchant, and is well worthy the profound study of the statesmen of every nation, in which commercial interests are known and fostered. The utility and importance of this species of contract in a commercial country is self-evident, and is so considered by the most distinguished writers upon commercial affairs. The millions of treasure which are now cast upon the ocean, and sent to the remotest quarters of the earth, exposed to the risks of the winds, the waves, and the frail structure in which they are transported, would be unknown and unappreciated, but for the protecting influence of this maritime contract, which gives great security to the fortunes of private people, and by dividing among many that loss which would ruin an individual, makes it fall easy upon the whole society. This security tends greatly to the advancement of trade and navigation, for as the risk of transporting goods and merchandise is diminished, men will be more easily induced to engage in extensive foreign trade, to undertake hazardous adventure, and to join in important undertakings; since their failure cannot involve them, and their families, in those ruinous consequences which would be the result in a country where insurances are unknown. It is improbable to suppose that the citizens of any nation, would embark their fortunes in enterprises fraught with so much risk as is incurred in mercantile adventure, without the aid of this indemnifying contract; and foreign commerce must necessarily be confined in its operations, and narrow in its influences, without some remedy is afforded by which the enterprising merchant can feel secure in ultimately obtaining at least a portion of those riches with which his ship is freighted.

From the great importance of insurance in creating a spirit for foreign adventure and mercantile enterprise, it is natural to suppose, that it was early ingrafted into the system of maritime laws and regulations, which prevailed in ancient periods of the world; but in looking back upon the history of the ancient maritime states which have existed, we find that insurance was unknown, and that it is comparatively of modern invention. The origin of the contract is somewhat uncertain, and the honor of its introduction has been claimed and insisted upon by rival nations, each eager to acquire the distinction which the creation of so important an agent, for the advancement of commercial enterprise and prosperity, would confer upon the founder; and the time when this contract was invented is equally involved in doubt and obscurity. But it is evident that wherever foreign commerce was introduced, insurance must soon have followed as a necessary and indispensable attendant, it being impossible to carry on any extensive trade without this protection, especially in time of war. Some writers have ascribed the origin of the contract of insurance to Claudius Cæsar, the fifth Roman emperor; but if it originated at that time, it was but imperfectly known and appreciated, and bore but a faint resemblance to the form it has now assumed; and from the fact that we find it extremely difficult to determine whether such a contract then really existed, it must have been quite ineffectual and seldom used. Other authorities have given the Rhodians

the credit of its invention, thus establishing a foundation for the idea entertained by many, that the law of insurance had been incorporated into most of the ancient codes of maritime jurisprudence. But it is extremely doubtful whether this people entertained even the slightest idea of the contract of insurance, as it exists at the present day. This country stood first among the nations of antiquity, not only for the richness of its extended commerce and the strength of its naval power, but it was here that the first legislators of the sea flourished; and it was by this people that the most ancient system of marine jurisprudence was promulgated, to which even the Romans themselves paid the greatest deference and respect, and which they adopted as the guide of their conduct in naval affairs; and these laws not only formed the rule of naval action to the ancient maritime states, but in reality have been the basis of many important regulations now in force respecting navigation and commerce; but notwithstanding the wisdom evinced in the creation and compilation of these laws, and the universality with which they prevailed, nothing can be discovered from the fragments which have reached us, to warrant the belief that these islanders were acquainted with insurance as a mode of securing their property. It is true that the laws of the Rhodians have descended to the present age in a very imperfect state, and there may have been many provisions incorporated into their system of jurisprudence, of which we are in ignorance; yet it is more than probable that so important a feature in their marine regulations, would have been transmitted to us, if any such had existed.

The states of ancient Greece, particularly Corinth and Athens, paid great attention to the promotion of commercial knowledge, and to the creation of a code of maritime laws calculated to encourage foreign adventure, and to inspire their people with a spirit of mercantile enterprise; and the many valuable and liberal laws which they originated relative to imports and exports, and the contract of bargain and sale, the many privileges granted to the mercantile portion of their citizens, and the appointment of judicial officers to settle and adjust marine controversies, impress us with a very favorable idea of their knowledge of the true principles of commerce; but not the slightest information can be found in their history, which would lead us to suppose that they were acquainted with insurance.

A glance at the commercial and maritime history of the Romans, is sufficient to make it appear that they were equally ignorant of the contract of insurance, as the nations of ancient Greece or the Rhodians; and from the continued warfare in which they were engaged, it cannot be supposed that they would pay as much attention to the perfection of a maritime code of jurisprudence, as many of the countries existing around them.

From the best authorities that can be found, it is supposed that the contract of insurance was first invented by the Lombards in the thirteenth century; and as the Italians were at that time engaged in an extensive trade with foreign countries, and carried on a rich traffic with India, it is but reasonable to suppose that in order to support so extended a commerce, they would introduce insurances into the system of their mercantile affairs. It is true, that there is no positive and conclusive evidence, which would create a foundation for the assertion, that they were the inventors of this kind of contract; but it is certain that the knowledge of it came with them into the different maritime states of Europe, in which parties of them settled; and when we reflect that they were the merchants, bankers, and carriers of Europe, it is not unreasonable to presume that they also led the way to the

establishment of a contract, which is so essential and important for the creation and continuance of commercial prosperity. It is certain that the Lombards were the first who introduced this contract into England; and a clause is inserted in all policies of insurance made in that country, that the policy shall be of as much force and effect, as any before made in Lombard street, the place where these Italians are known to have first taken up their residence.

After the introduction of this contract into England, a peculiar court was erected for the purpose of determining all questions and controversies arising out of policies of insurance; but it was soon abolished, and the adjudication of this species of contract placed upon the same ground as any other written instrument. The contract of insurance has, until recently, been but little understood, and very few early cases can be found in which rules have been settled, calculated to elucidate the principles bearing upon the construction and effect which must be given to the policy; but more recently, numerous and valuable decisions have been made, in which the law of insurance has been ably considered and clearly laid down; and although some portions of this branch of maritime law are still involved in doubt and uncertainty, yet the leading and general principles which control this species of contract, are now rendered sufficiently certain to enable the insured to determine what he is bound to do, for the purpose of securing the protection and safety which a policy of insurance is intended to confer.

It is of great importance to the merchant, that he should make himself acquainted with the substantial parts necessary to be embraced in a contract of this nature; and for the purpose of rendering this subject clear and intelligible, the form, construction, and effect, of a marine policy of insurance, will be considered.

Insurance is defined to be a contract, by which the insurer undertakes, in consideration of a premium, to indemnify the person insured against certain perils or losses, or against some particular event. The policy is the instrument by which the contract of indemnity is effected, between the insurer and the insured, and it may be valued or open, the only difference being, that in the former the property insured is valued at prime cost at the time of executing the policy, and in the latter the value is not mentioned, but in case of loss, must be proved by the party claiming under the policy. The essential part of a policy of insurance does *not* differ from a bond of indemnity, or guaranty of a debt, since the obligor, or guarantor, takes upon himself certain risks, to which the obligee, or creditor, would otherwise be exposed; and although the liability of the insurer depends upon more numerous and multiplied contingencies, than that resting upon the obligor and guarantor, yet until something is done on the part of the insured, to vary the nature of his rights, and alter or effect the responsibility of the insurer, the rules of law which govern in the construction of ordinary sealed instruments, in cases of obligors and guarantors, prevail with equal force in controlling a policy of insurance.

A policy, when executed, is considered a sacred agreement, and of the first credit; and when the signature of the underwriter is affixed, no alteration can be made by either party without avoiding the contract; for as its ultimate effect and bearing should be accurately known and perfectly appreciated by both parties, permitting even the slightest alteration by either would be opening a wide door to fraud, in a transaction which, from its nature and the importance of the interests involved, should be free from the

least degree of doubt or embarrassment. The only mode by which an alteration can be made in an instrument of this kind, where either party refuses his assent, is by an application to the court of chancery, where it must appear by undoubted evidence, that the party applying was mistaken in the terms and effect of the policy, and that the correction of such mistake cannot prejudice the rights of the insurer. From this, it is obvious that it is of the first importance to the insured, that he should thoroughly understand the nature and construction of an instrument which may involve interests to a large amount, and which, unless fraud is proved to have been committed on the part of the insurer, cannot be altered or varied in its ultimate construction, as the intention of the parties is to be determined by the instrument itself.

The leading and substantial parts of a marine insurance are, that the underwriters cause the assured to be insured, in a certain sum, on ship, cargo, freight, or profits, for a particular voyage or space of time, against enumerated risks; and in connexion with these, are introduced all the stipulations, provisions, conditions, and warranties. There are various implied conditions in every policy, which are of the highest importance to be observed by the person obtaining it, and unless these conditions are strictly complied with, the contract will be avoided. The assured is bound at the time of procuring the policy, fully to disclose to the insurer every fact which may materially alter or affect the nature of the risk incurred, and which is presumed to rest exclusively within the knowledge of the insured, unless it is embraced in some agreement in the instrument, or to which the instrument refers; and when an insurance is effected upon a vessel, the insured by the act of procuring the policy, impliedly warrants the ship to be sea-worthy, and in every respect fit for the voyage upon which she is destined to proceed; and this agreement is uniformly a part of the contract, although it is never expressed in the policy; and there is a warranty contained by implication in every policy, that the vessel shall pursue her voyage by the customary route, and in the usual manner; and these implied agreements flow from the principle, that men in their dealings with each other are bound to look only to the ordinary mode in which transactions of the nature they are contemplating are conducted, and the rules of morality and justice will not permit either to take advantage of what the other could not necessarily have foreseen and guarded against.

If the insurer wishes to protect himself by any agreement not implied by the policy, he must be careful to have it clearly and explicitly expressed in the instrument; and any communications which may have passed between the parties previous to executing the policy, cannot have any weight in controlling its effect, as the policy itself is to be considered the agreement between the parties; and whatever conversation or letters may have passed from one to the other, can form no part of it, unless expressly referred to by the instrument. The construction of the policy may be varied by the usage of trade, but this usage must be universal, and clearly made out; without which, it cannot be presumed that the parties had it in contemplation when the policy was executed; and like other written instruments, the intention of the parties must always be sought after, in construing its meaning and determining its effect.

There are few restraints imposed to prevent any person from effecting a valid insurance upon any thing in which he may possess an insurable interest; and the only case in which the policy is void, on account of the charac-

ter of the insured, is that of a foreigner residing in a country at war with his own, and insuring his property by citizens of the country in which he temporarily resides; and even this disability may be removed by obtaining a license to trade in such country—the law implying, that whenever a person has permission to own and enjoy property, that he shall be entitled to the ordinary means for the continuation of such enjoyment; and should a citizen of the United States, residing in Great Britain, at the commencement of a war between the two countries, remove to France for the purpose of carrying on mercantile business in England, he would so far be considered a neutral, by British laws, as to enable him to effect insurance in England upon his property, and to recover upon the policy in the English courts.

It is materially essential to every contract of insurance, that the insured should have an interest at risk; and if he has no interest, or if the interest which he possesses is subject to no risk, he can be liable to no loss; and it necessarily follows, that there is nothing against which the insurer can indemnify him.

Merchants often insure goods in reference to a future interest which they expect to acquire; but unless the title to the property passes before the loss, the insured cannot recover upon the policy; as in the case of goods forwarded from Boston to New York, with directions to the consignee not to deliver them to the buyer until he pays for them; the buyer has not an insurable interest until he complies with these directions; and the interest must not only commence previous to the loss, but it must continue and subsist at the time the loss actually occurs; otherwise, the risk which the assured is insured against no longer exists, and the essential requisite, constituting his right to recover upon the policy, is gone.

If the vessel or goods insured are forfeited, the insurable interest is taken away; and a person who insures a ship or merchandise, which, on account of any act committed, are condemned under the laws of the United States, his right to the property insured is taken from him, and his remedy upon the policy is gone.

If the interest of the insured is illegal, although it may in other respects be sufficient, the policy will be void: for courts of justice will not enforce the terms of an instrument intended to protect a person in the possession and enjoyment of property which he holds in violation of those laws which it is their duty to administer; and if a policy is intended to protect property to be used for purposes which are illegal, and contrary to sound policy and the rules of wholesome trade, the contract will be void and ineffectual.

When part of a cargo insured is designed for objects which are legal, the illegality of the remainder will not avoid the whole policy, but it will remain good for so much as the insured had a legal insurable interest; but in such case, the goods not contraband and illegal must be owned by a different person; otherwise, the contagion of illegality affects the innocent articles.

The subjects of nations engaged in war with each other, cannot protect their property destined to the enemy's port, by insuring it at home, whether such property consists in ships or merchandise: for war suspends commercial intercourse, overthrows the fabric of maritime rights, and destroys those reciprocal beneficial privileges which exist in time of peace; and the subjects of either country, endeavoring to employ their property in contravention of belligerent law, entirely divest themselves of all their insurable interest.

If the laws of this country interdict trade with a foreign port, a policy upon goods intended for such port would be void: for the insurer, in such

case, has a deep interest in effecting the safe transit of the goods insured to the interdicted port—which the law destroys by avoiding the policy, on the ground that it guaranties to the insured the protection and enjoyment of property to be used contrary to the rules of good faith, and in violation of the sound dictates of public policy, and creates in the mind of the insurer a strong desire to assist in evading the laws of his own country, for the purpose of securing the property insured from capture, and thus protecting himself against the loss which must otherwise accrue from his liability upon the policy. And it may be laid down as a general rule, that no contract is of any binding validity, which is obviously inconsistent with the principles of sound policy and national justice, or directly and plainly opposed to the interests and welfare of society; and whenever property intended for the benefit of an enemy, is insured, the law declares the policy absolutely void. But if an insurance is effected upon property previous to its assuming a hostile character, the contract is binding and valid; and if the goods are injured, or lost, the insurer will be liable.

A policy of insurance upon property intended to be used in violation of the laws of a foreign state, is binding, and cannot be impeached on that ground, unless such laws are in accordance with the laws of nations, which are of equal force in all countries, and upon all governments.

The wages of seamen do not form the subject of a legal insurable interest, on the ground that the motive to exertion for the safety of the ship and cargo would be materially diminished, if mariners could, by the payment of a small premium, secure themselves in ultimately obtaining, at all events, a compensation for their services; but they may insure goods purchased with their wages; and the captain of a ship may insure his wages, commissions, and privileges, as he is considered a person of more trust than the sailors.

Having examined some of the most important requisites which are necessary to vest in the owner of property an insurable interest, when considered with reference to the character in which it is held, and the purposes for which it is employed, the consideration which next presents itself, is an examination into the nature of the various interests which form the subject of insurance.

If the owner of a ship mortgages it for its full value, he still retains an insurable interest in the vessel; and although the assignment of a bill of lading passes to the consignee the entire and absolute property in the goods, yet if it is the intention of the consignor, by such assignment, merely to designate the person who is to receive the goods, and not to convey away his property in them, the consignor is considered as the creditor of the consignee to the amount of the proceeds, and retains an insurable interest in the goods. The interest of a mortgagee or trustee of property may be insured; and a person to whom the freight of a vessel has been mortgaged, may insure the legal interest on his own account, and the equitable interest on account of the mortgagor; and, as the trustee of property has the legal interest, he may represent it to be his own, and effect an insurance upon it in his own name. Where one merchant is indebted to another, and forwards goods to a mercantile house to be held for the benefit of his creditor, such creditor has an insurable interest in the goods so forwarded: but if the goods consigned were directed to be sold by the consignee, and the proceeds paid over to the creditor of the consignor, an insurable interest in the goods would not vest in the creditor, as he acquired no title to them previous to the sale, after which,

the money for which they sold would be held for his use; but if merchandise is bought with such proceeds, the interest of the creditor would then be insurable.

A bottomry bond, by which the vessel is hypothecated, and a respondentia bond, by which the cargo is pledged, to a certain amount advanced upon either, by virtue of which the lender would acquire the right of possessing the property so hypothecated or pledged, for the purpose of enabling him to obtain satisfaction of his debt, are in many material respects similar to a mortgage, and vest an insurable interest in the lender; and there are more strong and powerful reasons in favor of allowing the lender upon bottomry or respondentia to insure his interest, than exist in the case of a mortgage, for mortgaged property is at the risk of the mortgagor, and the latter is always liable, even if the property mortgaged is destroyed; but the lender upon bottomry or respondentia has a lien only upon the vessel or goods; and if they are lost, his claim is extinguished forever. The borrower upon bottomry or respondentia retains an insurable interest in the ship or goods, to an amount equal in extent to their respective value, beyond the sum for which they are pledged; but he can insure only to this amount; and where a vessel is hypothecated for more than its full value, the borrower has no insurable interest; but if there is in such case an agreement that the lender shall insure only a part of the risks to which the property is liable, the borrower could still insure to its full value in reference to the risks not insured by the lender. A consignee, factor, or agent, has a lien upon goods to the amount of his advances, acceptances, and liabilities; and as he has an interest in the property commensurate with the amount of his lien, it follows that he may insure to the full value of such interest, whether the goods are already in his hands or not.

A supercargo, who is entitled to a commission upon the cargo, has an insurable interest to the amount of such commission; and it is a well established rule, that any person having an interest in any lawful contract, from the completion of which he may derive profit and advantage, has an insurable interest in the subject of such contract, as soon as he has taken any steps towards its performance. The owner of goods may insure the profits he expects to derive from the completion of the voyage, and he will be entitled, under the policy, to the full amount of the profits which he can prove the adventure would ultimately have afforded him.

The charterer of a ship, so far as he is liable to be injured by its loss, has an insurable interest; and where a ship is chartered with an agreement on the part of the charterer to pay a sum equal to her value, if lost, he may insure to the full amount for which he is liable; and an agreement, on his part, to insure the ship, vests in him the same insurable interest, as if he had bound himself to pay her value, if lost; and the owner of the vessel may also insure, as he is not bound to trust entirely to the responsibility of the charterer.

The owner of a ship, navigated on his own account, has an insurable interest in the freight; and it is a general rule, that this interest commences not only by the sailing of the vessel upon her voyage, with the cargo on board, but also when the owner has a part of the goods loaded, and the remainder in readiness for shipment. And when the owner of a vessel contracts with another for freight, and incurs expenses in anticipation of the voyage, and takes measures towards carrying the freight, and the ship is in readiness for sea, an insurable interest in the freight for the contemplated voyage becomes

vested ; and if the ship is lost previous to its commencement, the freight insured may be recovered under the policy.

Whenever freight, covered by insurance, is valued in the policy at a certain sum, and goods sufficient to make but a small portion of the amount named are put on board the vessel, and the remainder of the goods are in readiness for shipment—if the vessel is lost previous to the commencement of the intended voyage, the whole freight valued in the policy may be recovered ; and the interest of the owner in passage money, in case of a loss of the ship subsequent to the time when she was in readiness to receive her passengers, would be governed by the same rule. Where an insurance is effected upon the freight of a vessel which is chartered for an entire sum, to proceed from the port of New York to stop at several foreign ports, and return, and the vessel is lost at the commencement of the voyage, the owner would be entitled to the full amount of freight insured for the whole voyage ; as the charter party gives an entirety to the contract, and the risk attaches on the whole freight, as soon as the voyage is begun ; and it will make no difference whether the agreement to supply the cargo or pay freight is in writing or only verbal, as the liability of the insurer is the same. The charterer of a vessel during a certain period, has an insurable interest in the freight, since he is the only one interested in the vessel's earnings during that time : and the owner and charterer, have each of them an insurable interest in respect to the risks to which they are severally liable ; and if the charterer makes an absolute unconditional agreement to pay freight, he is possessed of an insurable interest, in reference to all risks.

The rules necessary to be observed in describing the insured in the policy, are important to be understood ; and this description should be sufficiently broad and comprehensive, to include all who can prove their interest in the property insured, and show that the policy was intended for their protection and benefit. The usual form of description is to mention the name of the person obtaining the policy, and state that the property is insured for himself, and all whom it may concern ; and unless this general clause is inserted, no one besides the person whose name is expressed in the instrument, and his general partner, can avail themselves of the benefit of its provisions ; and it must be expressly made to appear, that the policy was effected on behalf of the person claiming under it, for otherwise, although he has an interest corresponding with that described in the policy, it will not be covered. When the policy contains the general description before mentioned, it will enure to the benefit of all who effected it, and will protect the interest of those for whom it is intended, and who adopt it when made ; and the adoption of the instrument by the party for whom it is intended, at any time before loss, and in many cases after, is sufficient, and is equivalent to an original order for insurance.

In the description of the subject matter which the policy is intended to cover, it is necessary that the thing insured, and in some instances the peculiar interest intended to be protected, should be expressed by words sufficiently clear and comprehensive, in the instrument itself ; or that it should contain something which will point out the mode of ascertaining with certainty to what the contract is to be applied ; and although the rules of justice will not permit any technical inaccuracy or innocent mistake to vitiate the policy and destroy its effect, still it is important that the instrument should express the intention of the parties with reasonable certainty. If the description designates the subject with tolerable certainty, and if from

the terms of the policy it could not have been the intention of the parties to refer it to any thing else, a mistake in the name of the vessel, or other property, will not affect the liability of the insurer. Where the marks upon bales of goods are incorrectly described in the policy, and it is shown to have been the intention of the parties to effect the insurance upon such goods, and their identity is clearly made out, the insured may recover upon the contract. The general description in a policy, *goods, wares, and merchandise*, is very comprehensive, and under it the insured will be entitled to claim compensation for loss of property of almost every nature. Specie and bullion will be included under this description, but not bank bills; and if it was the apparent intention to insure jewels, rings, &c., there is no substantial reason why they should not be covered and protected by this description.

Policies are sometimes effected upon ship, or ships, to be afterwards declared, and other property may be insured in the same manner, and after effecting such an insurance, the insured cannot be compelled to declare his interest, but may refrain from so doing until after a loss has occurred, when he may declare the interest insured to be in the goods so lost; but if a condition is inserted in such policy, that the insured shall declare the property intended to be insured, as soon as he can receive information enabling him to do so, he must not delay communicating such information after it is derived, and his rights under the policy will be determined as soon as this declaration is made to the insurer.

When different shipments of goods are embraced in the description contained in the policy, the insured may apply it to either, if it is not made to appear that it was not the intention of the parties to protect the property claimed to be covered by the instrument; and whenever the policy is so drawn, as to give the insured a discretion in declaring the interest to be protected, his right to make his election cannot be altered, limited, or taken away, by any act of the insurer, for the contract is perfected when the policy is subscribed, and the declaration of interest is a mere exercise of power conferred by the instrument upon the insured.

When an insurance is intended to be effected upon profits and commission, it is the more usual and safe course, to describe them specifically, although this does not appear to be absolutely necessary; and where the intention of the parties is clear, an insurance effected on property in a ship is sufficient to cover the interest of the master who is to receive a commission on the cargo.

An insurance upon the *ship*, comprehends the body of the ship, her tackle, furniture, and outfits; and the term outfits includes sails, cordage, provisions, armaments, and ammunition. Freight may be insured by the owner of the vessel, even on part of a voyage, without disclosing the remainder, although it was formerly considered otherwise. But a person who is not the owner of the ship, cannot insure the freight, without disclosing the particular interest out of which it arises; and where the owner of a vessel disposes of it, retaining his right to the freight she may make during one voyage, and insures his interest in such freight, he cannot recover upon the policy, unless it contains a particular description of his interest in the vessel, upon the ground that his interest to be protected is not strictly that of freight, which is defined to be the price of transportation paid by the owner of the goods to the owner of the vessel. Where a re-insurance is obtained, the same general rules apply as to the description of the former policy, and the interest insured, which must be defined and ascertained with certainty.

The contract for insurance must contain a stipulation for the premium, and the rate is always expressed in the policy, but as the underwriter is liable to loss, and entitled to a premium, only so far as the risk extends, it does not necessarily appear from the policy what amount will be effectually and absolutely insured, and accordingly it does not show what amount of premium will be eventually payable on the risk. It is a general rule, however, that the premium on the whole sum named in the policy is the amount considered due; and this will be presumed, unless from the particular circumstances of the case a different rule of construction is made to appear. The usual form of a policy contains a clause, by which the underwriter acknowledges himself to have received the premium, although this is by no means conclusive evidence that it has been paid, but it is inserted to preclude the necessity of proving its payment in case of loss, which would otherwise be rendered necessary to entitle the assured to recover.

When the policy is void without the fault of the assured, or by reason of its illegality, or where the risk does not commence, no premium can be recovered. It is indispensably necessary that a risk should be incurred, before the premium can become due, and it is in the power of the assured by placing none, or only a part of the property covered by the instrument, at risk, to annul the contract either in whole or in part; and this is an indulgence which the law allows to this species of contract, and it is considered an implied condition upon which it is entered into, it being often impossible to know at the time the policy is made, what quantity of goods may be ultimately placed at risk.

The rapid view which is here taken, for the purpose of pointing out the rules necessary to be observed, to give validity to a policy of marine insurance, and to vest in the assured every legal right which an instrument of this kind is intended to confer, is sufficient to impress upon the mind the importance of having the policy carefully and skilfully drawn—and as large sums are often involved in the determination of a single word, every sentence should be clear and comprehensive.

ART. VIII.—THE STATE OF THE CURRENCY.

WE resume this subject with feelings and under circumstances very different from those which attended the writing of our former article. The apprehensions we then entertained have been more than realized. Indeed the first number of this magazine had scarcely made its appearance, before the accounts of the state of the money market in England were such as distinctly to warn us that the tide of temporary prosperity caused by borrowing money was turning. And since then the reflux has been going on with such a force and rapidity of current, as even we, who had always expected a good deal, did not anticipate. The rate of exchange has been such as to make a large exportation of specie unavoidable, and this, though not very long continued, has already had the effect which we stated that it would, of putting in jeopardy our whole system of convertible paper currency. The banks doing business through a large portion of the United States, have again suspended the payment of their obligations, and the money of the

greater part of the country has for the second time within three years become a paper medium relying for support solely upon public opinion.

Of the causes of this second suspension, the views are almost as various as the individuals who hold them. There are many who consider it as a necessary consequence of the attempt to resume specie payments last year, which they maintain to have been premature and injudicious. Others regard it as the effect of measures taken since that resumption, and having no necessary connexion with that event. One class of persons affirm that the relaxation of the protective system, by tempting to excessive and burdensome foreign importations which must be paid for with money, is at the bottom of the whole matter, while another see it in the capricious policy of the secretary of the treasury when distributing the surplus revenue. Then again the thorough-going political partisans make President Jackson or the Bank of the United States the rock of offence, according as their party predilections lead them to admire the one or to detest the other. One peculiarity in this great diversity of sentiment seems to us to be, that, contrary to the ordinary rule, there is some foundation in justice for each variety of it. A cool observer cannot avoid admitting, even upon a hasty glance at the several causes assigned, that they have each and every one of them had *some* operation upon events, although he may not be disposed to admit that they have precisely to the extent which the advocates of each would claim for their respective and favorite theory. It is difficult, in questions of this kind, to hit the taste of the public, which does not relish the degree of generalizing essential to explain the truth. It is the nature of man to seek a sharply-defined idea, in order that it may be fixed in the memory with convenience. But this process, when applied to a series of events brought about by so many different agents, is rarely possible, without some sacrifice of accuracy in judgment. Very seldom is it that any given effect can be affirmed to proceed from any single cause; most especially so when the passions of men, engaged in vehement contention with each other, are let in at one and the same moment, to give new and strange impulses to events, and to distort the medium through which those events are to be viewed and judged.

In the midst of all this, we are however arriving at one general conclusion, which may be of use in directing our future investigations; and that is, that the plan of joint stock banking, as practised at this time in the United States, without the presence of a regulating power of some kind or other to keep it from running into excess, is wholly unsafe, and the currency which it provides is not a sound currency. Thus much, the experience of the past may now surely authorize us to take for granted. But if we assume this, the questions which immediately present themselves, however difficult of solution, are not many in number nor hard to be understood. We must either introduce the power of regulation, which is essential to the system we have, in order to make it work beneficially, or we must revolutionize that system itself. Either some mode must be devised to keep paper money issued by banks convertible into gold or silver, or we must give it up and go back to the hard money. This seems to be the exact nature of the issue now making in this country, upon the decision of which, much in futurity of good or evil must absolutely depend.

We are not disposed at this time to go very largely into the discussion of past events. There is so much in them on all sides to *regret*, that we dislike to approach them more than we are obliged to. It is impossible to over-

look the fact, however, that so long as a national bank was in existence, there never was any reasonable ground for complaining of the currency, and the moment that it has ceased to exist, complaint has regularly become loud and incessant; a national bank is then a remedy for this evil at least, and being such, it of course must be included among the alternatives from which it may hereafter be deemed proper to select. Of the probability of its adoption, we are not at present called to consider, neither are we conscious that that question has much to do with our purpose, which is to look over the whole field of view and observe what the remedies that can be supposed to be applicable to the present case really are, and which of them it would be the part of wise financiers to adopt.

And first, with respect to the propriety of a new national bank, it cannot be denied that there are reasonable causes for doubt whether it could again be made to act upon a banking system, so widely expanded as ours now is, without presupposing a concentration of capital, which, in the present circumstances of the United States, is hardly practicable, and which, if practicable, is not unattended with danger. The great difficulty of so large an amount of disposable capital seems to be, that it tempts to the undertaking of too much; we think that this has been made clearly manifest by the example of the United States Bank of Pennsylvania, which, since it became a state institution, has unquestionably gone far to forfeit, among sober-minded and reflecting persons, the very high opinion which had been entertained of its management while under the national charter. We know very well that in saying this, we incur some hazard of involving ourselves in the contests of the day. But the first duty of writers upon subjects like these, is to express freely what they believe to be the truth without fear or favor, and it is in obedience to this dictate that we will proceed to give our reasons for the opinion we have advanced.

When the administration of General Jackson had carried the point with the people, of terminating the existence of the national bank, it ought to have been foreseen by those who advocated its continuance, that the currency would fall into disorder without it. We are aware that this was abundantly *foretold* by many leading politicians in opposition, but the conduct of the bank itself, in winding up, gives some color to the belief that it did not really entertain the apprehensions so freely thrown out by its advocates, and that these were, many of them, rather the heated offspring of political invective, than sober and rational conclusions from well-laid premises. Had the bank *really* foreseen and believed in the arrival of the crisis which was about to happen, we do not think it would ever have made the repayment of so great a share of its capital as was placed in the southern and southwestern offices, depend so much as it did upon the continuance in a sound state of the credit system. Nor yet would it have accepted of such terms as were imposed upon it by the state of Pennsylvania, as the consideration for a charter to be granted by her. Both these acts were predicated upon the supposition that a national bank was entirely *unnecessary*; the very position which had been all along maintained by the party friendly to the administration—and that the United States Bank, chartered by a state, would exercise the same control over the credit system, which it had done when chartered by congress. Had this proved true, the whole argument of the friends of a national institution would have been shown to be unsound, and the contest between General Jackson and the bank must have terminated favorably to the former, in the judgment of moderate men. The result has, however, left the

position assumed by the latter, as yet, impregnable; and the difficulties into which the bank has subsequently involved itself, instead of bearing against it, as by some they may be thought to do, go conclusively to show that no institution chartered by a state is fit to regulate the currency, and that the attempt to do so must result, only as it has resulted, in complete disappointment and disaster to the undertakers and the public.

Indeed it is plain that it could not be otherwise when we reflect how very different a relation the United States Bank immediately assumed to the country, upon its acceptance of a state charter. From being a bank to benefit the commercial interests of all the cities, it immediately contracted its view to those of Philadelphia, and through her, of the state in which she is placed. From confining itself to the negotiation of the best of business paper, and to exchanging value between the ends of the country, it went into the patronage of a whole system of local state internal improvements. From the promotion of the trading interests of the seaports with the interior, in something like a ratio to the amount of transactions naturally occurring in each, it went into a project of securing to Philadelphia a greater portion than belonged to her, and thus of exalting her at the expense of all rival places. The whole action of the machine was changed, and with it the character of the investments made of capital. An artificial value was thus given to various sorts of property, depending upon the successful management of the bank for its continuance, and subject to entail great loss upon it in case of misfortune or untoward accidents. For these would inevitably be the signal for a withdrawal of the extraordinary and fictitious advantages that kept it up, and the loss of these advantages would be attended with a more than corresponding depreciation of the property, the value of which rested upon their duration.

The two acts which we have already mentioned as errors, in the course of the United States Bank, namely, the acceptance of a state charter, and the long credits given in the south, are those most directly in contradiction to the whole tenor of the argument used in favor of its recharter as a national bank, and are moreover in our opinion, the true causes of her present unfortunate position. Had the bank persisted in winding up in the rigid manner which the circumstances of the time would seem to have made necessary, her policy would have had some effect in retarding and perhaps diminishing the extent of the subsequent catastrophe. For her contraction would have partially counteracted the expansion that was going on in other quarters, instead of stimulating it, as the actual policy did, and what she might have realized would have been so much redeemed from the wreck of capital and credit which has been subsequently made in the United States. It is true that much loss might have been incurred from the attempt, and that not quite so favorable a tabular statement could have been made of its returns to the stockholders; but what was this, compared to the actual amount of losses since incurred? Besides, the management of the bank had reserved large amounts expressly to cover these losses, which might have been of more service in the pockets of the proprietors, and certainly would have given them more solid satisfaction, than to see them thrown away either in lavish profusion in exchange for the doubtful blessing of a state charter, or in schemes to secure the recovery of debts which events were showing to be desperate.

For it must be added that the change from a national to a state policy on the part of the bank, would not of itself have brought about such unfortunate

results so rapidly, if there had not been coupled with it attempts to regain a lost portion of the capital of the old bank upon a scale of too great magnitude for its new position. The carrying forward to market such a crop as that of cotton has now annually become, if undertaken by a corporate institution, must necessarily call for a degree of strength and skill aided by fortunate circumstances which cannot be reasonably expected often to exist together. It is not a natural business for a bank, and has a tendency at once to unsettle prices from their sound and true basis, the proportion between demand and supply. When, therefore, the United States Bank went into the project with resources crippled by other engagements, as well as the failing character of many of its debtors, it entered into a contest against chances by no means in its favor. For the European money market could not be regarded by any means as inexhaustible, or as perfectly patient of all drafts upon it, however large. And the credit even of the bank, well established as it might have been during cautious and prudent management, could not be expected long to stand at the same height, after it had gone into measures which can by no means deserve to be considered either as cautious or prudent. The accident of two successive seasons of scarcity in breadstuffs in England could not, to be sure, have been foreseen by the wisest persons; but neither should they have been considered as improbable, or certain not to happen. Nor yet have they done more than merely to hasten events which must have happened just as certainly, in the end, from other causes. A bank, having once departed from the line of its duty, as a money-lending institution, and become a systematic money-borrower, never yet was able to retrace its path to safety and to credit. The disease is then at the core, and no human remedy has yet been discovered sufficiently powerful to drive it away.

While we regret that the United States Bank should have fallen into a series of errors, detracting so seriously from the reputation which its former management had earned for it, we cannot but regard the result as on the whole fortunate for the country at large; first, because the fact is thereby established of the impossibility that any bank chartered by a state, with a capital however large, can have power to regulate the currency; and secondly, because the existence of such an institution in high credit, must necessarily have been a great obstacle to the organization of a new national bank, if it should ever please a majority of the people again to authorize one. We are not now about to go into the discussion of the question whether such a measure is expedient, or otherwise, at this particular time; and even if we could prove the affirmative ever so clearly, we are aware that the tone of the public mind is not sufficiently decided to give an unqualified assent. There is a seeking for some new variety of treatment which shall restore the body politic, without the necessity of looking back to old ones, and so long as that exists, it is reasonable to expect that theories will be constantly brought forward and gain some weight in the community, until their value has been fairly tested by experiment.

Of these new theories, that which is the first on the list for adoption in practice is the plan of the independent treasury. And it is worthy of remark in this connexion that such have been the passions excited, in whatever of discussion has taken place upon this subject, as to make it difficult to arrive at any conclusions that may be depended upon respecting its true nature. The spirit of party has on one side had a tendency to magnify the utility of the project, quite as much as on the other to exaggerate the dangers which will

attend it. We frankly confess that it has very much excited our surprise, to see the friends of the administration so ready to make up an issue here; for it seems to us that by so doing they expose themselves to the responsibility which will inevitably be incurred, if the results in performance do not come up to those which have been promised. For our own part we see no merit at all in the sub-treasury project, but then we find in it nothing positively objectionable. The great error it involves is in the dereliction of duty; the voluntary abnegation of that control over the currency which it is the primary duty of every good government to secure, in order that the people should not suffer. The mere regulation of what shall or shall not be the medium of payments to be made into the national coffers, can never involve a question to compare in importance with that affecting the amount of exchanges, constantly going on between citizens of the same state or of different states. A government of any kind necessarily has within itself a power of coercion, which will always save it harmless from loss in comparison with that which must be borne by individuals. It may dictate its own terms, and there can be no one to contradict. But the moment that it assumes the attitude of command, it loses the greatest of its recommendations, the protecting attribute, and becomes little better than tyranny, and this it is not a whit the less under a democratic form of administration than under a despotism. The want of sympathy is just as striking in both cases, and the inattention to the convenience or the benefit of the individual citizen. Hence the difference between the two becomes only the difference of a name.

But let us for a moment proceed to examine more minutely the precise operation of the sub-treasury scheme, so far as we can understand the views of its advocates. And to this end, let us adopt for our guide the pamphlet* published some time since by Mr. Gouge upon the subject, particularly as it is the only work we have seen which takes any thing like practical views. The first remark which occurs to us to make, has reference to the general amount of specie which the government would probably require the country to supply. This appears to us to be easily estimated, although it has been the subject of much exaggeration by the different parties, according to their peculiar bias. Of course the amount of specie must depend entirely upon the proportion in which the receipts exceed the expenditures of the treasury; because it is only the average of balances unexpended, which will remain on hand in coin. Now if we look to the past and observe what these average balances were during the existence of the national bank, or (throwing out of view the artificial surplus of the years 1834-5) during the time since elapsed, we shall find that they did not exceed the sum of five millions of dollars, and were even then subject to extraordinary fluctuations, sometimes falling and sometimes rising, according as the occasions happened when large amounts of the national debt became due and were paid off. Yet five millions would seem, if we judge by the past, to be the sum of coin which the operation would keep locked up. But we incline to think even this sum is greater than what would be necessary for the future, and that for these reasons: The derangement of the currency will necessarily have an effect in checking trade, and through this of diminishing the receipts from the customs, already declining from the reduction which necessarily

* An Inquiry into the Expediency of dispensing with Bank Agency and Bank Paper in the Fiscal Concerns of the United States, by William M. Gouge, Author of a Short History of Paper Money and Banking. Philadelphia, 1837.

takes place in the duties by the working of the compromise act. The sales of the public lands would probably fall short also of producing under the new system, the sum which has been heretofore received through the facilities furnished by bank credit. If nothing but specie is to be the medium of payment, of course not so many persons will be able to make the payments required, as were so while they could rely upon the assistance of paper. If then on the one hand, we calculate that the general receipts of the government must fall off under a deranged system of currency, on the other, we see no reason to expect any corresponding diminution of public expenditure. Every year adds to the charges which attend the administration of the public affairs, and that even in a ratio more than proportionate to the enlargement of the settled portion of the union. And notwithstanding the outcry that is constantly kept up about extravagant appropriations, and the natural desire existing in every party of the majority to do all they can to reduce expenses, and thus gain the credit with the people of loving economy, experience fully proves that under whatever party the government is carried on, the expenditures do go on, and will go on increasing, and we see no reason for supposing the system, which has been established so long that the public mind has become too much habituated to it to pay any attention to the complaints that are made, will ever be checked, until the deficiency of the receipts becomes striking enough to threaten the formation of a new national debt.

But it must be very plain to the dullest comprehension, that when the expenditures of the government exceed the receipts, the effect of the sub-treasury system upon the country must be exactly nothing at all. For where there is no money to keep, of course there is no necessity of making arrangements to keep any. To supply the vacuum, the treasury must either be authorized to issue bills of credit, like treasury notes, or new schemes must be devised to increase its resources. The issue of treasury notes receivable in payment for duties would supersede the necessity of a recourse to specie in settling with the government, and hence there would be no interference at all with the other credit relations between individuals, which could go on in the country, generally, just the same as if there was no government. And inasmuch as the issue referred to would be much more acceptable to the community than the devising of any new burdens in the way of taxes, it is fair to presume that this contrivance will be continued in practice so long as it is possible to make it available.

Under this exact view of the case, the effect of the sub-treasury upon the country, would probably be to create an artificial species of currency, to be used for a particular purpose, and to a limited extent. This currency would in general consist of treasury drafts, issued to public creditors in payment of demands growing out of the service, and of treasury notes—and no specie could ever be required, excepting when the supply of these happened to fall short of the demand, a contingency which could occur to a great extent only when the revenue became excessive, an event not likely very soon to take place again. Banks and brokers would of course supply themselves with a sufficient stock of this species of currency, to accommodate those of their customers who were in habitual necessity of resorting to them. And the government, while receiving and paying out this peculiar species of currency, would stand entirely aloof from all action upon the medium used in fulfilling the rest of the contracts and engagements in the community just as much as if it was the government of China.

But in order to make this more perceptible, let us enter into a minuter analysis of the sources of income for the United States, and the precise situations in which it is realized. Here, our labors are essentially facilitated by the tables which we find appended to the pamphlet of Mr. Gouge. By them we find, that during the year 1834, the relations in which the various portions of the union stood to the treasury, were as follows :

The expenditures in the eastern states of New England were less than the receipts for that year, in the sum of \$28,908, and about to this trifling amount, therefore, New England would, under the new system, have become a debtor to government for specie. In the middle states, including the great port of entry, of New York, the excess of receipts over expenditures was in the sum of \$1,127,297 ; and to that extent, New York would have been a debtor for coin. But, on the other hand, the expenditures exceeded the receipts in the south and southwestern states, in the sum of \$957,218, and in the western states, in the sum of \$867,470. Hence, in these two sections of the country, the treasury of the United States would have been a debtor of specie to them to so large an extent as not only to swallow up the amount due to it in its turn in the other divisions of the union, but even to leave it positively deficient—a deficiency which was in fact covered only by the balance from the preceding year.

In this case, it is very clear there would have been not the least necessity for any specie at all. For the west and southwest, to whom so much was due over the receipts, would have taken for the excess, the drafts of the treasury upon New York, and these would have served as a medium of remittance to the merchants of that city, who would have paid them into the custom house at that place instead of coin. So that, in point of fact, the balance which the United States could have held in specie, any where, during that year, under the sub-treasury scheme, would have been too trifling to deserve to enter into consideration in any discussion of the operation which takes place upon the credit system of the United States.

By the table which we have already cited so much, it appears that of all the collections made into the treasury in 1834, New York city furnished nearly one half. That is, the sum total of receipts throughout the United States, being slightly over twenty millions of dollars, the receipt for customs in New York was more than nine millions of dollars. It appears, then, inasmuch as the receipt and expenditure for New England is so nearly balanced by the amount realized from customs in Boston, as to make a case by itself, that New York did that year supply the fund out of which the excess of expenditures in the rest of the creditor states was paid. But this very circumstance of the concentration of the foreign trade in New York, by which it becomes the distributor of goods to all the rest of the country, and thus runs them in debt to her to pay for them, is the one which would make treasury checks upon the sub-treasury at New York, an object of desire to all who deal with her. They would of course prefer to be paid in a mode so easy of remittance, rather than give the government the trouble of transferring specie, which they would have the trouble and expense of sending back again. Hence a system of drafts would take the place in no long period of any system of specie, and the sub-treasurers would become very convenient officers in a sort of new customhouse bank.

If we are in any degree correct in our views, the general effect of the sub-treasury scheme upon the currency and banking system of the country, must in ordinary years be admitted to be likely to be very small. Even in

New York, where the greatest sums are accumulated, one fact used by Mr. Gouge, to show the feasibility of the plan, is the most conclusive argument against its utility. "In no one week," he says, "of either of the years, 1833 or 1834, did the amount received at the custom house in New York exceed \$650,000." This would make a little more than \$100,000 a day, in periods of the greatest receipt, though the average of receipt through that year did not equal thirty thousand dollars. Now, when we consider what a very small proportion this bears to the payments between individuals, and that a single bank of moderate capital probably receives a greater sum every day, we can very easily appreciate the extent to which the sub-treasury is likely to correct a disordered currency. And when we reflect upon the sum of daily payments which are made in *all the banks together*, in a place like New York, it immediately becomes evident, that the mere presence of a sub-treasury like the one described, can never have any effect in supplying an adequate quantity of good currency, or in preventing the depreciation of a bad one.

To sum up all in one word, the precise effect of the new plan, as it seems to us, will be simply to remove the government from any control whatever over the currency of the people, and to create a peculiar currency for itself. This last may be of gold and silver, it is true, but we do not imagine it will really turn out to be more than a different species of paper. Ten millions of treasury notes will, in our belief, be quite sufficient to effect the entire movement of the national finances for a year without any need of coin, provided always, that the president or secretary of the treasury is disposed to have it so. But since the days of distributing the surplus revenue, we have had our confidence so much shaken, in the capacity of the latter, that we dare not affirm that he would not break up the ordinary channels of trade again, as he did then, whenever his arithmetic prevailed over his notions of commercial affairs. The sub-treasury, badly managed, might make itself felt as an evil, just as a bank does when badly managed; but we must again repeat our conviction, that there is nothing in its ordinary course which would merit for it so distinguishing an epithet as either good or bad; so far as the currency is considered, it appears to us to be likely to be a mere nullity. And in this point of view, if established at all, it would be far better that it should go into operation with the specie clause, as it is commonly called, than without it; for the banks would be more thoroughly protected by it from the hostility of the government, whenever minded to be hostile, than if it was in the habit of receiving their notes, and thus able to return them in large quantities at once, for redemption in coin. For these sweeping demands would always be more difficult to meet than the more straggling ones of individual merchants about to pay their bonds, which could be provided for beforehand, by securing sufficient substitutes for coin in the peculiar paper medium which the government is bound to receive.

The great objection to the sub-treasury plan, is then of a negative kind. It is rather for what it fails to do, than for what it does, that we think it should be condemned. It fails to protect the people from a fluctuating paper medium; it fails to provide a sound and uniform currency; it fails in benefiting any one but creditors of the government, who are generally office-holders, and these it benefits at the expense of all the other citizens. It is an unfortunate surrender of one of the great objects for which the constitution of the United States was adopted, and is a retrograde movement to the misery and disgrace of the last years of the confederation. The policy which it

marks out is the let-alone policy, which never has heretofore, to our knowledge, made a people great and flourishing, and which, to our best belief, never will hereafter.

But there is another project which has been connected with the sub-treasury, the effect of which may be more decided for good or for evil. We allude to the proposition for a general bankrupt law, with provisions applicable to all corporations issuing promises under state authority. This, we admit at once, to be likely, if adopted, to produce a decided change in the currency. But it will, at the same time, enormously increase the national power and make a step towards consolidation, before which all former federal offences of this kind must sink into insignificance. Of course, we are not prepared, at this time, to go into an examination of a project which has hardly yet assumed a shape sufficiently definite to enable us to take hold of it. But it has already been once recommended by the president of the United States, in a formal message to congress, and we have reason to believe is yet a favorite notion with many of his most active friends. Hence it is not unlikely to be again pressed before the attention of the public in so earnest a manner as to make it advisable that some idea should be generally entertained of its probable operation.

A bankrupt law, then, which should provide for the winding up of all corporate institutions, such as banks that issue promises on demand, immediately upon their failure to redeem them, would have the effect of putting all the state banks in the country under the control of a central power existing somewhere or other in the national government. It would of course subject the charters granted by state legislatures under state authority, to be construed and terminated by the courts of the United States, and to that extent destroy the whole penal authority of those belonging to the several states. We are not prepared to say that this very high-toned measure might not work favorably in cradicating the precise disease under which the currency labors, but we very much doubt whether its general tendency, in all other respects, would not be highly pernicious. We should most particularly be afraid of the political organization which it would create, and the subjection that would follow of the money power of the country, to the influence of ardent and ambitious politicians. It has heretofore been a favorable feature in our financial system, that the property of the public has been made a sacred trust in the hands of that class of citizens who were not dependant upon the political government for favors or support. When this principle has been adhered to, no losses have ever been incurred, and the instant it has been departed from they have always happened in great numbers. Now the present plan appears to sink it wholly out of sight, by making all classes of citizens in a degree dependant upon government favor. It leaves hardly a person in active occupation, whose interest would not be liable to be directly affected by the application of the law, and who would not therefore be joined in interest with the particular system of policy, whatever that might be, which it pleased our temporary rulers to declare to be the right one.

Yet it is on the whole too early to take any decided ground in opposition to a scheme which has been so little unfolded, and which may after all never be pressed to execution. The doctrine which it involves is so directly adverse to all the favorite constitutional scruples of the majority, in the entire southern region of the country, that we cannot persuade ourselves they will ever be brought to listen to it. And if they will not, there is no

danger of its ever being adopted. We wish we could say the same of the notion of returning to a metallic currency, but we cannot. There is just enough of uneasiness in the public mind, about the durability of paper money resting only upon credit for its value, to foster the hope of improvement from the adoption of a different and more certain medium of exchange.

Yet when we think a moment upon the actual state of the circulating medium, and compare the amount of coin in the country with the condition of indebtedness, which exists as well to citizens at home as abroad, we cannot but dread the effect upon all the active classes of our citizens, which the progress of this outcry for hard money may in course of time bring about. Perhaps there is no greater state of pecuniary misfortune to a nation, than that which a gradual contraction of the currency occasions. For inasmuch as the price of money goes on constantly rising under it, in the ratio that labor and commodities keep falling in value, every bargain on time necessarily is attended with loss, and the amount of that loss is just in the proportion to the length of time interposed between the engagement and execution. The purchaser of goods to-day, cannot sell them again to-morrow, with any prospect of recovering his outlay, and every day that he keeps them on hand renders it more desperate. The scarcity of currency makes the value of all debts expressed in the ordinary mode, far more burdensome to debtors, for the reason that it diminishes the valuation of all the property they have in offset. And the only class of individuals who are in any degree bettered in situation, are the heavy capitalists, who owe nothing to others, but have much owed to them.

It seems now not unlikely, that for some time to come, this contraction of the currency, consequent upon the attempt to continue specie payments, will have the effect we have described. The next year will probably for the first time, develop the practical effect of the great loans which have been negotiated in Europe, at such exorbitant prices. These will, however, press most heavily upon those sections of our country which have now no metallic basis for their currency, and will materially impair their ability soon to resume one. Nothing can save us from ultimate bankruptcy, but extreme economy and extreme industry united. Economy, in not purchasing more from abroad than we absolutely need; industry, in producing as much as we can to sell. Whether the people throughout the United States are yet prepared to see this in its true light, and avoiding all the false notions which ever are found in plenty during critical times, to set about the work of redemption in earnest, and upon the principles we describe, we are unable to say. There are some indications to prove the contrary, which we regret to perceive; for it is not impossible, that they may be precursors of a new attempt to stretch the credit system even farther than it has yet been stretched, an attempt, we will add, that can end only in one, and that a very fatal way.

The evil of the time is a great want of confidence, and this want of confidence exists only because when given, it has heretofore been so much abused. Nobody now has much faith in the stability of any thing, for the reason that little or no stability has yet been shown any where. If we mean to get on again, we must strictly adhere to our promises, and show the world that there is still some ground left to build upon. The government must be a little more mild in its demeanor, and less inclined than it is to set up new projects. The people must be less addicted to favor flattering demagogues, who tell them only what it pleases them to hear. And all sober and

reasonable men must unite together, to scout the quack notions of the day, which are fearfully prevalent, and which every sciolist in political economy is ready to press into practice, with as much confidence as if philosophy and experience had combined to prove their value.

There are on the one hand the cotton producers, who, if we are to judge by the spirit of the late convention at Macon, are disposed to throw upon the credit system the whole burden of the expense of raising their staple, for at least six months after it is brought to market; and who, with every profession of allowing the natural rule of supply and demand to regulate the price, are in fact for measures which would prevent, by artificial interference, that supply from meeting the demand. We are unable, at this time, to devote the proper degree of attention to this new project, nor indeed has it yet come in sufficiently definite form before the public, to enable us to take hold of it as it deserves. But we do not consider the effect this may produce, as of half so serious a nature as that which may follow the disposition undoubtedly increasing among the northern states, to favor the notion of a metallic currency, already referred to. This movement comes from a quarter where, we must frankly confess, we should least have expected it, and is calculated to bring about changes very much at war with the professed designs of its advocates. The practical result would be, so far as we may be permitted to express an opinion, to put in the hands of rich lenders most of the solid property of the country, and to turn adrift into the world all that large class of debtors, who live by applying their industry and their activity, to the improvement of wealth but partially their own. Such appears to us to be the precious nature of the boon, which the wisdom of some equality-loving politicians is craving for us. Now although we profess less than they do, yet by repudiating their notion altogether, we do not doubt that we are really working more effectually to preserve equality than they are in supporting it. Hardly any direct project of making the rich richer and the poor poorer, could be devised that would be so effective to the purpose as this one; for the credit system, defective as it unquestionless is in many points, ought by no means to be reproached with any tendency to depress human industry, or with not supplying the means of advancement in fortune to all men of good character, whatever their disadvantages in early life may have been. We are wholly at a loss to understand the force of the arguments that have been brought to bear upon it on this score. Those which are made by capitalists appear far more solid, and when urged by them, excite in us no surprise. We see and know that the credit system does interfere with the profits that might be made by ready money, as well as to shake the basis of valuation upon which all the property of a rich man must rest. But these are reasons only to influence the selfish and wealthy, and not to weigh a feather in the mind of him who has nothing of his own, and whose chance to get something is better under the credit system than without it. If the denunciations against banks, could ever so far shake the credit of their notes as to exclude them from circulation, and to reduce our currency down to the fifty or sixty millions of specie which we now possess, we know of none who would gain so much power by the change as the great capitalists. For they could employ more laborers at lower wages, they could spread their hands over more houses and lands, and force to ruin if they liked it more of their debtors, than would be possible for them under any other modification of circumstances. How far this would conduce to greater equality, our readers can judge as easily as we.

But we are sensible that this argument is not necessary, to satisfy the intelligent and active members of the community of the true tendency of any project to return to a metallic medium, and we hardly expect it will ever reach the minds of most of those to whom it might be serviceable to consider it. Yet in reviewing the present state of the currency, it would not have been proper wholly to overlook the fact of the existence of those who entertain such opinions. Many of them have secretly cherished a hope that by degrees a sufficient quantity of the precious metals could be accumulated among us at once to take the place of a discredited paper medium, without the hazard of any convulsion. These persons do not appear to have sufficiently considered the difficulty in the way of changing the proportions in which the limited supply existing of the precious metals is divided among the commercial countries of the world; nor the constant tendency of the paper of this country to increase itself in a threefold ratio to the increase of those metals. There is no subject which will less patiently admit of quack treatment than money. If the majority will persist in seeing things in a light which is not a natural one, and will base their action upon it, the only consequence must be, that the prosperity of the community of which they are a part, will be made to pay the penalty of their disregard of the truth.

We know it will not be a very consoling idea to most of our readers, to imagine that matters will have to be a great deal worse before they can be permanently better. Yet such, in our humble opinion, is the only conclusion we can arrive at in the present moment. This is emphatically the age of experiment in most things, but particularly so in currency and banking; and this age must be *worked* through before the true principles—whatever these may be—can be expected to prevail. The process may be a very severe one—it has been so already—but there are intervals from pain frequently to be expected which will materially relieve the exhaustion attending the operation. The principle of life is strong in the body politic, and will bear a great deal of clumsy and even cruel treatment without sinking; and there is no danger but that *whenever it shall choose to say the word*, it may be brought back to the condition of health and prosperity which it has heretofore enjoyed.

CASH PURCHASES.—From the great and unavoidable losses sustained by the “credit system,” a man who has ready money can buy with immense advantage to himself, by always paying *cash* for his goods. If, in addition to this, he has sufficient cash in hand to defy the larger houses, and will sell “for cash only,” he may realize a fortune in a few years. Once let an establishment be noted for “cheap bargains,” and purchasers will flock to it as instinctively as sharks to a ship!

I recommend to you to deal only with those merchants who have the fairest characters, and are in the best established circumstances.

Such persons are always able to sell cheaper, and if you require it, to give longer credit than persons of less standing in the world; besides this, their reputation is of more value to them than to run the risk of committing, or conniving at, a fraudulent action. Moreover, they keep generally a larger stock of goods than smaller dealers, thus affording you a better variety to choose from.—*Foster*.

MERCANTILE LAW.

ART. IX.—MERCANTILE LAW CASES.

COLLECTION OF DEBTS—POOR DEBTORS.—COMMISSION MERCHANTS—
 SUPERCARGOES.—PROMISSORY NOTES—FRAUD—PAYMENT.—SALVAGE
 —FRAUDULENT COMPACT.—BILLS OF EXCHANGE.—USURY.—COLLEC-
 TOR OF CUSTOMS.—CHEATING BY FALSE PRETENCES.—GENERAL
 AVERAGE.—BILLS OF EXCHANGE—RIGHTS OF CORPORATIONS.—CASE
 OF SALVAGE FOR SERVICES RENDERED BY ONE WHALER TO ANOTHER.

COLLECTION OF DEBTS—POOR DEBTORS.

It is our intention to obtain for the Merchant's Magazine, as soon as the necessary arrangements can be made, accurate and condensed accounts of the laws respecting debtor and creditor in the several states, and in England. The utility of a series of articles of this kind, is obvious; and it is equally evident, that our plan cannot be carried out immediately. We mention this, because we may often allude to the means of collecting debts in different states, in a manner less full and complete than it is our intention to do ultimately, and which may still be useful and acceptable to our readers. We are reminded of this subject by a trial which recently took place in Boston. It was an action brought by *John Wilson* against *Ellis G. Blake*, and was a case in which the plaintiff made charges of fraud against the defendant in concealing his property from his creditors.

The jury returned a verdict in favor of the defendant. The details of the case are of no public interest, and we mention it principally for the purpose of calling attention to a provision in the revised statutes of Massachusetts, which, we are led to believe, is somewhat peculiar.

By the 27th section of the 98th chapter of the revised statutes, it is provided, that when any debtor shall give notice of his intention to take the oath before provided for poor debtors, the creditor may allege against him certain specific charges of fraud, upon which either party may have a trial by jury.

The charges must be fully, plainly, and formally set forth in writing, and be signed by the creditor, and he must make oath that he believes them to be true.

The only fraudulent acts which the creditor shall be allowed to charge, are the following:

First, that since the debt was contracted, or the cause of action accrued, the debtor has fraudulently conveyed or concealed, or otherwise disposed of, his estate, or some part thereof, with design to secure the same to his own use, or to defraud his creditors; or,

Secondly, that since the debt was contracted, he has hazarded and paid money or other property to the value of one hundred dollars, or more, in some kind of gaming prohibited by the statutes of the commonwealth; or,

Thirdly, that he has wilfully expended his goods and estate, or some part thereof, for the purpose of enabling himself to swear that he has not any estate to the amount of twenty dollars, except such as is exempted from being taken in execution; or,

Fourthly, if the action was founded on contract, that the debtor contracted the debt with an intention not to pay the same.

The creditor cannot upon the trial give evidence of any charges of fraud, not contained in his statement, nor of any supposed fraudulent acts of the debtor, committed more than three years before the commencement of the creditor's original action.

If the debtor be found guilty of any of the above named charges, he shall have no benefit of the poor debtor law, and he shall moreover be sentenced to confinement at hard labor, in the county jail, or house of correction, for a term not exceeding one year, according to the circumstances of the case.

We have never heard of a conviction under the above statute, and we believe the present case is the first that has ever been tried in Boston.

COMMISSION MERCHANTS—SUPERCARGOES.

The United States Circuit Court in Boston, was occupied several days last month, in the trial of the action of *Forestier v. Bordman*, which involved principles of great interest and importance in a mercantile point of view.

It was an action of *assumpsit*, brought by the plaintiff, a merchant of Batavia, to recover of the defendant, a merchant of Boston, \$1637 00, the amount advanced by the plaintiff on a sale of flour made by him for the defendant on a credit, the purchaser having become insolvent.

It appeared in evidence, that in the year 1830, the defendant shipped in the *Shylock* 1000 barrels of flour, and placed it in the keeping of Mr. Stephen H. Williams, as supercargo. The vessel sailed for Rio Janeiro, and 775 barrels of the flour were there sold. She then put into Montevideo, but the state of the market being very unfavorable, the supercargo concluded to carry the balance to Batavia. He did so, and requested the plaintiff to sell it, and invest the proceeds, together with the proceeds of that sold in South America, for the benefit of the shipper. The market was glutted, and the flour was somewhat damaged, but it was sold by the plaintiff to one Johannis, on a credit of six months, and the proceeds, deducting the interest, was invested in coffee, which was shipped to the defendant, and by him received. No guaranty commission was charged in the account of sales, and Mr. Williams had no knowledge that the flour was sold on a credit of six months until after the sale was made.

After the coffee had been shipped to the defendant, Johannis, to whom the flour was sold, became insolvent, and the plaintiff, not being able to obtain payment from him for the flour, claimed in this action to recover of Bordman the amount of the advance.

The principal point in the case was, whether the plaintiff or the defendant should suffer by the failure of Johannis, or, in other words, whether the sale made by the plaintiff was at his risk or at the risk of the defendant—the defendant contending that the plaintiff had no right to make a sale on credit. There were some other points in the case of minor interest, and many witnesses were examined.

Judge STORY charged the jury, that the supercargo had a perfect right to carry the flour round to Batavia if he found it impossible to effect a sale in the ports contemplated by the parties, because when any emergency happens which was not contemplated by the parties, the supercargo is bound to act upon his best judgment. And whether Williams had or had not a right to carry the flour to Batavia, the fact that Bordman received the coffee without objection, was a confirmation of the transaction.

The next question was, whether the plaintiff had a right to sell the flour on a credit of six months. On this point the rule of law was, that a commission merchant has a right to sell on a credit, if the usage at the port authorizes a sale on credit. The jury were to determine whether it was customary to sell on credit at Batavia. If it was, then the plaintiff had a right to do so unless he was specially directed in what manner he was to sell.

Then, at whose risk was the sale actually made? The law was explicit, that where there is a usage of trade authorizing a sale on credit, and a sale is so made, it is at the risk of the shipper, unless there be some usage or a special agreement to the contrary. In this case the sales were not guaranteed, and as sales in Batavia often *were* guaranteed, the presumption was that Mr. Forestier did not intend to be responsible for the price of the flour sold to Johannis.

In regard to another point of defence, that the plaintiff was guilty of negligence in not recovering the debt of Johannis, the jury must judge from all the circumstances of the case, bearing in mind that a commission merchant was not bound to sue immediately on a claim becoming due. He must be governed by his best judgment under the circumstances.

It had been argued that the plaintiff was in fault in not giving the defendant early notice of the failure of Johannis; but the defendant could have no advantage of this unless he had proved that a change of circumstances had taken place, or that he had suffered some actual injury from the want of notice.

The jury returned a verdict for the plaintiff.

After the verdict was rendered, Judge STORY remarked, that a more important case in a mercantile point of view, had not been tried before him for a long time.

PROMISSORY NOTES—FRAUD—PAYMENT.

In the Court of Common Pleas in Boston, on Tuesday, October 29th, the case of the *American Bank v. John S. Jenness and others*, was an action of *assumpsit* on a promissory note for \$4000, dated July 13th, 1836, payable on demand, and signed by the defendants. This note was lodged as collateral security with the plaintiffs by Grant, Seaver, & Company, previous to their failure.

The defence was, that the note had been paid by the defendants nearly a month before it was lodged with the plaintiffs by Grant, Seaver, & Co., to wit, on the 21st of February, 1837; and that it was put into circulation by G., S., & Co., without the knowledge or consent of the defendants.

To prove that the note had been paid as above, Mr. Grant was put upon the stand as a witness, although objected to by the plaintiffs.

The counsel of the plaintiffs argued to the jury, that the note not having been taken up by the defendants, and nothing appearing on the face of it to show a payment, a transfer of it by the payees under such circumstances, to an innocent endorsee, would hold the defendants. The plaintiffs had taken the note on the strength of the defendants' names. There was nothing on the note unusual for an unpaid note, and consequently nothing to put the plaintiffs to an inquiry whether it had been paid. That the circumstances of the case were such as to warrant the jury in the conclusion, that it was the intention of the parties that the note should be re-issued, and that to suppose the contrary would be to impeach very essentially the integrity of the persons who passed the note to the American Bank.

Chief Justice WILLIAMS instructed the jury, that if the defendants had once paid the note, it could not be revived by being again put into circulation, unless the defendants had put it into circulation or had consented to it; and their consent might be express or implied. The loss in the present case must fall on the party who had been in fault. But the defendants had not been guilty of such neglect, by merely not taking the note up when they paid it, as was sufficient, of itself, to hold them now. The plaintiffs must make out something stronger; they must satisfy the jury that the defendants gave either an express or an implied consent to the note being put into circulation after it was paid.

The jury were unable to agree. It is said that they stood 10 to 2 in favor of the plaintiffs.

SALVAGE—FRAUDULENT COMPACT.

In the United States District Court, in Boston, on Friday, 11th ult., the case of the *Merchants' Insurance Company of Boston v. Asa Seller*, was a libel in the Admiralty, in behalf of the owners and insurers of the ship Bombay and cargo, against the first mate of that ship, to recover a sum of money alleged to have been paid to him by the salvors of the vessel, which got on shore, and was carried into Key West in February, 1838.

The libel charged, that \$1000 was so paid to the captain, \$300 to the first mate, and \$200 to the second mate. That it was paid in pursuance of a corrupt understanding between the salvors and officers, and with a view to influence the testimony of the latter, and to inflame the salvage, &c.

The captain paid the amount received by him, when demanded by the agent of the insurers. The second mate being out of the country was not served with process, and the suit proceeded against the first mate alone.

He filed an answer, admitting the receipt of the money, but denying any fraud, or agreement, between him and the salvors, and alleging that the money was given him from motives of compassion, and in consideration of his unfortunate condition.

The court gave judgment for the libellants, for the sum received by that officer, three hundred dollars, and costs. The reception of the alleged sums of money from the salvors, by the officers of the wrecked ship, under the circumstances in which the property committed to their charge was placed, was holden by the court to be altogether inadmissible. The transaction was pronounced to be of novel and exceptionable character; that with the aspect of charity and benignant consideration, it placed the officers of the ship in a position in reference to the claims of salvage, then in controversy, incompatible with their dutiful relations to the ship and cargo, and to owners and underwriters.

BILLS OF EXCHANGE.

In the case of *Andrews v. Pond*, decided in the Supreme Court of the United States, at the last term of the court, it was held that a person who takes a bill, which on the face of it was dishonored, cannot be allowed to claim the privileges which belong to a bona fide holder without notice. If he chooses to receive it under such circumstances, he takes with it all the infirmities belonging to it; and is in no better condition than the person from whom he received it. There can be no distinction in principle, between a bill transferred after it is dishonored for non-acceptance, and one transferred after it has been dishonored for non-payment.

USURY.

In the same case above mentioned, the court also decided that there is no rule of law fixing the rate which may be charged for exchange. It does not depend on the cost of transporting specie from one place to another, although the price of exchange is no doubt influenced by it.

COLLECTOR OF CUSTOMS.

In the case of *Bend v. Hoyt*, decided in the Supreme Court at Washington, and reported in the last volume of Peters's (N. S.) Reports, the court held

1. That even courts of equity will not interfere to assist a party to obtain redress for an injury which he might, by ordinary diligence, have avoided. And, *a fortiori*, a court of law ought not, when the other party has by his very acts and omissions lost his own proper rights and advantages.

2. A collector is generally liable in an action to recover back an excess of duties paid him as collector, when the duties have been illegally demanded, and a protest of the illegality has been made at the time of payment, or notice given that the party means to contest the claim. Nor is there any doubt that a like action generally lies, where the excess of duties has been paid under a mistake of fact, and notice thereof has been given to the collector before he has paid over the money to the government.

FRAUD.

The party selling property must be presumed to know whether the representation which he makes of it be true or false. If he knows it to be false, that is fraud of the most positive kind; but if he does not know it, then it can only be from gross negligence; and, in contemplation of a court of equity, representations founded on a mistake resulting from such negligence are fraud. The purchaser confides in them upon the assumption that the owner knows his own property, and truly represents it. And it is immaterial to the purchaser whether the misrepresentation proceeded from mistake or fraud. The injury to him is the same, whatever may have been the motives of the seller. The misrepresentations of the seller of property, to authorize the rescinding of a contract of sale by a court of equity, must be of something material, constituting an inducement or motive to purchase; and by which he has been misled to his injury. It must be in something in which the one party places a known trust and confidence in the other.—13, *Peters's Reports*, 26.

CHEATING BY FALSE PRETENCES.

We formerly alluded to a law in force in Massachusetts, respecting cheating by false pretences. A case was recently tried in the Boston Municipal Court, in which a somewhat novel question arose, which will render it necessary for the merchants in that state to be cautious as to whose credit they rely upon in selling goods; whether they rely wholly on the credit of the purchaser, as he asserts it, or on the representations of others respecting his credit.

The trial to which we allude, is that of *Jonathan S. Fitts*, who was charged with obtaining one thousand dollars worth of goods from *Milton & Slocum*, merchant tailors, of Boston, in October, 1835. Fitts lived at Braintree, Vermont, and was a pedler, and represented he had unincumbered real estate in

Braintree, of the value of two thousand dollars, and was worth one thousand five hundred dollars besides, and owed but eight hundred dollars. In November, 1835, he conveyed his real estate to Colonel Hutchinson, and it was in fact under mortgage at the time, and was worth but four hundred and fifty dollars, over the mortgage. In January, 1836, he fled to Canada, writs being against him, where he worked as ostler in a tavern. The Canada troubles came on, and he went to Western New York, where he was arrested on this charge. He then worked on a farm at the halves. He owed about two thousand dollars in Boston, and between two and three thousand dollars in New York, and other debts in Braintree, none of which have been paid. He offered some evidence of his property as it was in October, 1835, and that it was not over valued then by him. When he applied to Milton & Slocum for credit, he referred them to Col. Hutchinson and Mr. Kidder, his neighbors, then in Boston, both of whom fully recommended him as worthy of credit, etc. - After this recommendation, the goods were sold to him. Milton & Slocum testified they sold the goods on his representation, and inquired of Kidder and Hutchinson as to his character for truth and honesty, to ascertain if they could rely on his statement. Kidder and Hutchinson testified to declarations of Milton that he sold the goods to Fitts, wholly on the recommendation of Colonel Hutchinson. The defendant's counsel asked the judge to instruct the jury, that if there were a fraudulent misrepresentation by the defendant, yet if the goods were sold wholly or principally on the recommendation of others, the case was not within the statute, as the defendant did not obtain the goods by his false pretences, but by the recommendation of Kidder and Hutchinson. Mr. Parker, the prosecuting officer, replied on Chief Justice Savage's doctrine, in 13 *Wendell*, 91: "It is enough, if the false pretence had a controlling influence on the vendors," and also on Judge Nelson's opinion, in 11 *Wendell*, 567.

The jury acquitted the defendant, as it is said, on the point that the goods were delivered rather on Hutchinson's recommendation, than on the prisoner's false pretences.

GENERAL AVERAGE.

In the case of the *Columbian Insurance Company of Alexandria v. Ashly and others*, decided last winter, at Washington, it appeared that the brig Hope, with a cargo, bound from Alexandria, in the District of Columbia, for Barbadoes, insured in Alexandria, was assailed, while standing down the Chesapeake bay, by a storm which soon after blew to almost a hurricane. The vessel was steered towards a point in the shore for safety, and was anchored in three fathoms water; the sails furled, and all efforts were made, by using the cable and anchors, to prevent her going on shore. The gale increased, the brig struck adrift, and dragged three miles; the windlass was ripped up, the chain cable parted, and the vessel commenced drifting again, the whole scope of both cables being paid out. The brig then brought up below Craney island, in two and a half fathoms water; where she thumped or struck on the shoals on a bank, and her head swinging round brought her broad side to the sea. The captain finding no possible means of saving the vessel and cargo, and preserving the lives of the crew, slipped her cables, and ran her on shore for the safety of the crew and preservation of the vessel and cargo. The vessel was run far up on a bank; where, after the storm, she was left high and dry, and it was found impossible to get her off. The

lives of all the persons were saved ; the whole cargo, of the value of \$5335 insured for \$4920, was taken out safely, and the vessel, her tackle, etc., were sold for \$256. The court decided, that the insurers of the cargo were liable for a general average.

BILLS OF EXCHANGE—RIGHTS OF CORPORATIONS.

Several months ago, there was much excitement in the mercantile community occasioned by a decision in Alabama, respecting the rights of a corporation, created by one state, to recover on bills negotiated in another state. That case, as we learn from the last volume of *Peters' (N. S.) Reports*, p. 519, was an action which was instituted in the Circuit Court of the United States for the district of Alabama, by the *Bank of Augusta*, Georgia, against the defendant, *Joseph B. Earle*, a citizen of Alabama, on bills of exchange drawn at Mobile, Alabama, on New York, which had been protested for nonpayment, and returned to Mobile. The bill was made and endorsed for the purpose of being discounted by the agent of the bank, who had funds in his hands belonging to the plaintiffs, for the purpose of purchasing bills of exchange, which funds were derived from bills and notes discounted by the bank in Georgia. The bills were discounted by the agent of the bank in Mobile, for the benefit of the bank, with their funds, to remit the said funds to the bank. The defendant defended the suit on the facts that the Bank of Augusta is a corporation, incorporated by an act of the legislature of Georgia, and has power such as is usually conferred on banking institutions, such as to purchase bills of exchange, etc. The Circuit Court held that the plaintiffs could not recover on the bills of exchange, and that the purchase of the bills by the agent of the plaintiffs was prohibited by the laws of Alabama, and gave judgment for the defendant.

In another case, that of the *United States Bank of Pennsylvania v. Primrose*, the plaintiffs, a corporation by virtue of a law of the state of Pennsylvania, authorized by its charter to sue and be sued in the name of the corporation, and to deal in bills of exchange, and composed of citizens of Pennsylvania, and of the states of the United States, other than the state of Alabama, (the agent of the bank resident in Mobile, and in possession of funds belonging to the bank, and intrusted with them for the sole purpose of purchasing bills of exchange,) purchased a bill of exchange, and paid for the same in notes of the branch of the Bank of Alabama, at Mobile. The bill was protested for nonpayment, and a suit was instituted in the Circuit Court against the payee, the endorser of the bill. The question for the opinion of the Circuit Court was, whether the purchase of the bill of exchange by the United States Bank was a valid contract, under the laws of Alabama. The Circuit Court decided, that the contract was void, and gave judgment for the defendant.

There was another case: the *New Orleans and Carrollton Rail Road Company v. Earle*, which was similar to the one first above mentioned.

The Supreme Court of the United States at Washington, last winter, after solemn argument by the most distinguished lawyers in the country, reversed the judgment of the Circuit Court in the three cases, and held the contracts for the purchase of the bills valid, and that the plaintiffs acquired a legal title to the bills by the purchase.

The court said it was very true that a corporation can have no legal existence, out of the boundaries of the sovereignty by which it is created. It

exists only in contemplation of law, and by force of the law, and where that law ceases to operate and is no longer obligatory, the corporation can have no existence. It must dwell in the place of its creation, and cannot migrate to another sovereignty. But although it must live and have its being in that state only, yet it does not by any means follow, that its existence there will not be recognised in other places, and its residence in one state creates no insuperable objection to its power of contracting in another. It is indeed a mere artificial being, invisible and intangible, yet it is a person for certain purposes, in contemplation of law, and has been recognised as such by the decisions of the Supreme Court. It is sufficient that its existence as an artificial person, in the state of its creation, is acknowledged and recognised by the law of the nation where the dealing takes place, and that it is permitted by the laws of that place, to exercise there the powers with which it is endowed.

Courts of justice have always expounded and executed contracts, made in a foreign country, according to the laws of the place in which they were made, provided that law was not repugnant to the laws or policy of their own country.*

It is well settled, the court say, that by the law of comity among nations, a corporation created by one sovereignty is permitted to make contracts in another, and to sue in its courts, and that the same law of comity prevails among the several sovereignties of this union. The public, and well-known and long-continued usages of trade, the general acquiescence of the states, the particular legislation of some of them, as well as the legislation of congress, all concur in proving the truth of this proposition.

**CASE OF SALVAGE FOR SERVICES RENDERED BY ONE WHALER
TO ANOTHER.**

An interesting case of this kind has lately come before the British Admiralty Courts. It was a suit against the *Swan*, whaling vessel, of Hull, to obtain a remuneration for salvage services. The *Swan* was one of the vessels frozen up in Davis's Straits, in October, 1836, for the rescue of whose crews bounties were offered by the Treasury. Several vessels went out in consequence, of which number was the *Princess Charlotte*, of Dundee, which discovered the *Swan*, on the 14th May, 1837, fixed in a floe of ice, with only nine days' provision on board, many of the crew dead, and most of the survivors confined to their berths by scurvy. With the assistance of boats from two other vessels, the *Dorothy* and the *Heroine*, the salvors (making about forty men) cut a channel through the ice, three hundred and seventy-six yards long and twenty-six broad, the average thickness of the mass being three or four feet, and (by two days and nights' incessant labor) the vessel was extricated, her crew being unable to assist. The value of the property salvaged was £3.439.

Addams, D., and *Harding*, D., for the salvors. The bounty given by the Treasury, for the saving the lives of the crews, and the alleged custom amongst whale ships to render mutual assistance to each other, do not bar

* See the case of *Peters v. Warren Insurance Company of Boston*, on page 59 of this Magazine. We take occasion to correct an error made in the report of that case, in the statement that the decision of Judge Story had been affirmed by the Supreme Court of the United States. The case has been carried up to that court, but has not yet been decided there.

the salvors, in such a case, from claiming remuneration for salving the property.

The *Queen's Advocate* and *Curteis*, D., for the owners. It is a custom, sufficiently established by evidence, that in the whaling trade, services, small or great, are rendered by one vessel to another mutually and gratuitously. If this custom is not upheld, the insurance of such vessels would be difficult if not impracticable. There never has been a case in which one whale ship sued another, except the *Margaret*, (2 Hagg. 48,) in which this custom was alleged, but the Court decided the case on another point, namely, that no service had been rendered.—Though the bounty paid by government did not destroy a claim for salvage, yet the Court would not give the same amount of salvage as if no bounty had been received. No danger had been incurred by the salvors, and the ice would have broke up of itself and liberated the vessel.

Dr. *Lushington*. There seems to be very little dispute as to the real facts of this case. The vessel proceeded against was unfortunately beset by the ice in October 1836, in Davis's Straits, and had the good fortune to be rescued from the situation in which she was placed, in the May following, by the exertions of these persons, stated to be salvors, with the assistance of the boats of two other vessels, which do not appear in the suit. There is no doubt whatever, that, in ordinary circumstances, the services of the asserted salvors would be entitled to receive a remuneration in the nature of salvage, unless their claim is estopped by a legal bar in the nature of a custom or practice binding on the parties employed in salving this vessel, the *Swan*. And in the Act on Petition it is stated, at considerable length, that it is the invariable custom for the vessels engaged in these fisheries to render any species of assistance to each other gratuitously, and it goes on to state that the master of this particular vessel was induced to accept the service rendered, by a reliance on this custom.

With regard to the custom itself, it is not altogether denied in the cause; because it is admitted by the salvors that, in respect of services of this sort, they are rendered by one vessel to another gratuitously; and there is a considerable body of evidence, on the part of the *Swan*, to establish the averment contained in the Act on Petition. But I do not intend to give any opinion as to the existence of this custom, because I think it is no part of my duty to determine whether this is a legal and valid custom or not, unless the circumstances of the case especially require me to decide the point. It is called a "custom," but it is, legally speaking, only a practice in the nature of a custom,—being no other than a custom of trade. It cannot be said that it is a custom which has continued from time immemorial. It is a practice entitled to the greatest possible weight; and supposing it to apply to this case, it is a custom which, in my opinion, ought to be upheld; and certainly customs of this description would not be overruled by me, notwithstanding that in one or two or three or more instances the custom may not have been observed. But it is different from a continued custom; it is a usage allowed to prevail, though not universal. The custom is founded on a principle of mutual benefit and the protection of property; because the assistance rendered by one vessel to another may be requited upon another occasion. I think it does not stand on the same principle as common cases of the kind; but such services can be rendered by one party to another, not only without prejudice, but with great advantage, to the general interests. To the extent,

therefore, of ordinary cases, I must not be understood as saying any thing against the validity of this custom; but I should think it carried to an extravagant extent if it barred the claim of parties where a service had been attended with great risk and skill, and where the parties rendering the service had been put to great expense: an award of salvage in such a case would not invalidate the custom in other respects.

But the question is, assuming the custom to exist, can it apply to the circumstances of the present case? I think there is a material distinction; because the *Swan*, having been detained in the ice during the whole winter, had not embarked at this time in the operation of any joint enterprise with the other vessels; and the foundation of the custom is, that the parties were embarked in one common enterprise, and whatever service is rendered by one to another, is mutually rendered—*dant accipiuntque vicissim*. But the *Swan*, being in a situation of great danger at this period, could not partake of this joint enterprise, and it is quite impossible that she could have rendered assistance to any other vessel whatever. And if I were to hold that the custom applied in this case, see the consequences: I should thereby take away all hope of assistance being rendered to a vessel in the same situation the *Swan* was placed in; for I should take away the motive for rendering the assistance, that is, a hope of reward. So let it not be understood that I gainsay the custom: within certain limits, it is a wise and just and proper custom; but the circumstances of this case are peculiar, and the custom cannot be universally applied.

The matter being so, I am to consider what is the nature of the service, and what is the proper amount of the reward? And I am now to consider a point, intended to be pleaded in bar, only in the way of a diminution of the salvage, that the *Princess Charlotte*, the *Dorothy*, and the *Heroine*, have already been rewarded for the service, and that the reward is of the nature of salvage. It is admitted that the offers of the Treasury were for the preservation of the lives of the persons detained in the ice; and no doubt the object of the Treasury was the rescue of human life, and the motive of the application made to the government for assistance was founded on the risk to which the lives of the sailors on board the vessels were exposed. So far, therefore, as relates to the bounty for early sailing, I shall not be justified in taking that into my consideration in allotting the *quantum* of salvage; but with regard to demurrage and the payment for stores, supposing the Court should be called upon to allot any thing on this account, and for loss or damage of stores, I should be clearly of opinion that the owners of the vessels had been already indemnified for that loss, and I should consider that they are not entitled to be remunerated for demurrage or for stores.

Now I am to look at the service itself; and though I do not mean to enter minutely into a consideration of the details of the service, it was a service efficiently rendered, and I am clearly of opinion that the service was absolutely necessary, not merely for the preservation of the lives of the persons on board the *Swan*, but for rescuing the ship itself from various dangers. It is stated that from the near approach of summer, it was probable that the ice would have been dissolved, and the ship might then have been got into a place of safety. But when I look at the protest made by Dring, the master, and the others who have signed it, I confess I could only come to a contrary conclusion. In the first place, I think it would have been difficult for Mr. Dring to have rescued the vessel from the situation of peril

in which it was placed by any exertion that could have been made by the crew, so perfectly disabled as they were by scurvy during their long confinement. In the next place, the want of provisions would have made it impossible that any thing effectual could have been done by the vessel. And Dring himself, in his protest, represents the vessel as in very considerable danger. I think, therefore, that, even supposing it to be true that the weather would have dissolved the ice, and set the ship free, the probability is that the crew would have been unable to navigate her, and there would have been a chance that the ship and stores and oil would have been entirely lost to the owners.

In order to enhance the merit of the service, it has been stated that considerable loss was probably experienced by the salvors from the delay in prosecuting the whale-fishery, in which these vessels were all engaged; and with reference to this it is said that only two whales were caught by the Princess Charlotte, whereas, it is in evidence that, during that period, a large number of whales were taken by other vessels. But the question does not properly rest on this ground; it is not the incidental circumstance of two whales or twenty whales being captured which is to govern the question; but this: What, under all the circumstances, is the probable amount of profit lost by the vessels so engaged in this salvage service, in consequence of being deprived of their boats and crews during this time? They were not altogether disabled from following the whale-fishery, though it might not be so effective. It is not an easy matter to collect what would have been the probable gain to these vessels; but in allotting the salvage I am about to assign, I must consider it probable, that, during that period, a certain *quantum* of benefit might have been enjoyed, which was lost by their being engaged in this service, and which so far diminished the profits of the vessels.

The only other circumstance which I think it necessary to advert to is this: the considerable delay that has taken place in making the demand, and I must say that it is a circumstance which has no small consideration with me. I must consider that, if the demand was founded in justice, it should have been made before. The Princess Charlotte arrived in this country in October 1837, and the owners might have proceeded in this suit at a much earlier period than they did. I have been told that negotiations were going on; but that is no satisfactory excuse. If a salvage service was rendered, the salvors were entitled to come to the Court for a salvage remuneration, and they might have brought their case before the courts in less than fifteen or sixteen months.

Looking to all the facts of the case, I am of opinion that a very considerable service has been rendered, and I think I do not go too far if I allot £700 for salvage.

Addams, D. Will the Court have the goodness to settle the proportion between the ships?

The Court: I had determined the apportionment. The sum I have allotted is £700. I think the Princess Charlotte ought to have £300, and the other two vessels £200 each.

ART. X. — NEW YORK MERCANTILE LIBRARY ASSOCIATION LECTURES.

THE regular course of lectures of this highly useful and flourishing institution, commenced on the second of November, with an introductory discourse from Professor Olmsted, of Yale College, on the mutual dependence of science and the arts, or the reciprocal benefits to be derived from an intimate local connexion of those two great departments of human labor.

In pursuance with our original plan, we shall furnish our readers with reports of all the lectures of the course to be delivered, which have a direct or indirect bearing upon commercial pursuits, or which we conceive to be of general utility.

By reference to the programme of the lectures in our last number, it will be perceived that the course for the present season differs materially from any previous course. It having been judiciously determined by the managers, that a full course upon any given subject, would be much more conducive of instruction than single detached lectures, which must of necessity, for the most part, afford but a vague and cursory idea of the subjects under discussion.

The present course, therefore, commences with ten lectures on Meteorology, by Professor Olmsted, and presents an opportunity seldom afforded, of acquiring an intimate acquaintance with the wonderful phenomena of that subtle fluid by which we are environed.

INTRODUCTORY LECTURE.

The Connexion of Science and the Arts.

Professor Olmsted commenced, by observing that one of the most striking characteristics of the present age, was the adaptation of science to the wants and understanding of the people. In former times, the now popular studies of natural philosophy, astronomy, and chemistry, were a sealed book to all but a few of the initiated in those seemingly abstruse and mysterious sciences. But at the present day, from the increased diffusion of knowledge of every kind, and especially from the establishment of institutions like the present, an acquaintance with those useful and interesting subjects, was placed in the power of every individual.

To our distinguished countryman, Dr. Franklin, Professor Olmsted assigned the honor of having first established a course of popular lectures, and also of being among the first to render a knowledge of the sciences subservient to the uses and welfare of even the humblest individual. Lord Bacon was the first, however, who taught that "a principle in science was a rule in arts," and later philosophers have made rapid strides during the last one hundred years, in verifying the truth of his maxim and developing its astonishing results.

Previous to the great reformation in the physical sciences, their votaries had not for the object of their researches, the increasing the general happiness and comfort of the human race. Astronomy was cultivated from its connexion with astrology—chemistry from its connexion with alchemy. But Dr. Franklin, and another distinguished American philosopher, Count Rumford, sought the happiness of society; their exertions were directed toward increasing the comforts, and as a necessary consequence, elevating the

character of the lower and middling classes of the community, and the efforts of the latter were crowned with such distinguished success, that the poor of Bavaria called him blessed, and all ranks and conditions united in their testimony, to the wonderful changes he had wrought in the condition of the lazzaroni of Munich. Count Rumford was a native of Woburn, Massachusetts, and was ennobled by the king of Bavaria for his services in relieving his kingdom from vagrant mendicants, and their inseparable abuses. He was also the founder of the Royal Institution in London, where lectures are annually delivered to persons of both sexes, it having been the first establishment of the kind attended by ladies. Lord Brougham, and other distinguished savans, continued the efforts of Franklin and Rumford, but to those distinguished Americans must be assigned the honor of having "set the ball in motion."

Colleges, observed Professor Olmsted, have been considered by many, as hostile to the general diffusion of knowledge. This he thought was an error, for they have the deepest interest in the general intelligence of every class. No literary institution can flourish unless in an intellectual community; in a congenial atmosphere. When commotions and dissensions arise, we look to the educated and intelligent to calm the fury of mobs, and restore society to its equilibrium. From a principle of self-preservation, therefore, if from no higher motive, colleges beheld lyceums, and similar institutions, in a very favorable light.

As an example of the intimate connexion between the sciences and the arts, Professor Olmsted instanced the manufacture of that minute, though useful instrument, a needle. The crude ore must first be extracted from the depths of the earth, and then smelted and forged by ponderous machinery. From the incipient steps to the final results, the knowledge of how many different sciences is requisite. Metallurgy, natural philosophy, chemistry, the expansive force of steam, and the adaptation of machinery to water, or other motive powers. Then for its transportation over seas, ships must be built and navigated, demanding the aid of mechanical skill and astronomy. Thus we perceive that all labor for the mutual benefit of all. The smallest article of daily use, cannot be furnished without the labor of many hundred individuals, and thus the creatures of the Almighty are, by his wise providence, reciprocally dependant on each other.

Let us suppose, observed Professor Olmsted, that a tailor was obliged to make his own needle before he could commence his work, or that any other tradesman was compelled to manufacture the tools of his trade, it will easily be apprehended how rude and uncouth all the arts would become.

Take another example of the connexion between the arts and sciences. For instance a piece of calico, from the cotton plantation to the dry goods warehouse, and observe how various, how multiform, are the processes it undergoes; all of which, it is evident, could only be performed by persons of many different professions and trades.

To the prosperity and welfare of the mercantile class, therefore, all other classes contributed, inasmuch as the merchants were the carriers, the buyers and sellers of every description of production, whether domestic or foreign, the growth of the soil, or the product of the loom or forge. It is, consequently, to their advantage that all descriptions of manufactures should flourish. With every class of the community they are indissolubly connected; they must rise or fall together.

From the close union which is maintained between sciences and the arts,

observed Professor Olmsted, it follows that the pursuit of the former cannot be successfully prosecuted in the absence of the latter. If our philosophical apparatus becomes deranged, our labors are suspended, perhaps for weeks, unless we have a skilful artisan at hand to repair it. Large cities, therefore, where every branch of industry and the arts is prosecuted, are most favorable for the residence of scientific men.

In the remote settlements of our western frontier, even the building of a house after the manner of the older states, is a work sometimes of months. All the materials are to be sought with much labor, workmen to be obtained from a distance of several miles, and even when everything seems prepared, you are often delayed for the want of some trifling, yet essential requisite.

In conclusion, Professor Olmsted enjoined his hearers to cultivate a love of reading, and a knowledge of the sciences, while youth and opportunity are afforded; then, when old age comes upon us, we can retire from the scenes of active life, serene and happy, conscious of resources within ourselves which will alleviate the cares of this world, and, with the assistance of religion, lighten the pathway to eternity.

LECTURE I.

Of the Atmosphere in general.

Geography, geology, and meteorology, are the sciences which enable us to acquire an accurate knowledge of the earth.

In the present course of lectures, observed Professor Olmsted, the latter science would alone be treated upon.

Meteorology, he defined to consist in a general survey of the atmosphere, both of the upper and lower regions: to include a knowledge of winds, storms, dew, fogs, hail, thunder, aurora borealis, and fiery meteors—their origin, and the laws by which they are regulated. A subject of immense extent and of great interest.

It might be asked, said Professor Olmsted, what advantages were to be derived from a knowledge of the laws which regulate the aerial phenomena. It is evident that those advantages are very great; for if we can foretell changes in the weather with any degree of accuracy, an immense amount of property would be annually saved from destruction.

But can we foretell the weather? Professor Olmsted thought we could, with the same certainty as we can eclipses of the sun or moon. The reasons for this belief, he would disclose in a future lecture. He would merely observe, in this connexion, for the present, that there were two classes of persons who were peculiarly fitted for foretelling the weather, viz. philosophers and sailors; both classes generally arriving at the same conclusions, though by different routes. The method of the philosopher is to be preferred, since it is susceptible of being imparted to others; while that of the sailor, consisting of certain signs and appearances known only to himself, has not that desirable requisite.

A law of storms was highly important, and a hope of ascertaining it was entertained by most modern philosophers.

Professor Olmsted next proceeded to define the atmosphere, but as that is a subject with which all our readers are, or ought to be, familiar, we shall not allow ourselves to dwell upon those portions of the lecture which consisted of the usual details upon the elasticity, expansibility, weight, density, and compressibility of air.

We will observe, however, that the density of the atmosphere diminishes

as we ascend from the surface of the earth, very rapidly. One half of the atmosphere being supposed to be contained within four miles of the earth; one fourth of it within the next seven miles, and so rapidly diminishing in density as we ascend.

The height of the atmosphere above the earth as deduced from twilight is forty-nine miles—from meteors, one hundred and fifty miles; this difference is to be attributed to the circumstance, that above the height of forty-nine miles the atmosphere is too rare to reflect the rays of the sun, consequently twilight does not indicate any greater height.

From circumstances attending the appearance of Encke's comet, we have reason to believe that an ethereal medium is diffused throughout all space, although it must be extremely rare above the height of fifty miles.

The temperature of the atmosphere is, as all are aware, colder the higher we ascend. The line of perpetual congelation is, of course, different in different latitudes. At the equator, it is about three miles from the earth; in our latitude, two miles; and in the polar regions, on the surface.

LECTURE II.

Dew, Fog, and Clouds.

The inductive system of philosophy, said Professor Olmsted, is the only true system by which we can arrive at certain results in physical science. It consists in an accurate observation of facts, and in carefully advancing from one set of truths to another, thus building up, as it were, a system slowly and securely.

Dew.—To a countryman of our own, Dr. Wells, of South Carolina, the world is indebted for an accurate and philosophical investigation of the phenomena of dew. Dr. Wells resided in London, in the capacity of a merchant, and it was in the vicinity of that metropolis that he prosecuted the experiments which resulted in the establishment of a fixed and substantial theory.

In making these experiments, Dr. Wells selected an open field in the vicinity of London, and the instruments which he used were a thermometer, a pair of scales, and a lock of wool. The lock of wool was for the purpose of absorbing the dew, the scales for weighing the wool before and after the process of absorption, and the thermometer to ascertain the temperature of the dew thus absorbed; and with this simple apparatus did Dr. Wells determine the laws which regulate these interesting phenomena.

The facts ascertained by Dr. Wells, relative to dew, were as follows: It begins to fall about 4 P. M.; it is most copious just before sunrise. More dew falls on clear than on cloudy nights, more on still than on windy nights, more on the grass than on sand, more on the land than on the water; on the ocean, indeed, no dew at all falls out of soundings. On bright metallic surfaces no dew falls, nor does it fall upon the naked skin of living animals.

From these facts, we arrive at the conclusion that dew does not *fall* from the heavens, as we express ourselves in common parlance, but ascends from the earth.

The following principles are involved in the explanation of the facts we have recorded above. The capacity of the air for moisture, is increased by heat and diminished by cold. In a dry atmosphere, evaporation goes on very rapidly. This every one has experienced, in the unpleasant dryness of the skin during the prevalence of hot winds. When the sun is withdrawn from the earth, the air becomes cooler, and the consequence is, that the

evaporation from the earth, not being taken up and converted into vapor with sufficient rapidity, is deposited upon its surface and forms what we call *dew*.

To return to our facts mentioned above. Why does more dew fall on clear than on cloudy nights? Because on the former the process of evaporation taking place more rapidly than on the latter, a greater amount of moisture arises from the earth's surface.

Why more on still than on windy nights? Because the tendency of the wind is to scatter and disperse the vapors arising from the earth, and consequently a less quantity is deposited.

The inequality of temperature between the earth and the air is therefore the cause of the deposition of dew. Why then does more fall on land than on water? Because the water, being a body the surface of which is not easily heated by the rays of the sun, maintains a uniform temperature, by day and night; consequently, no inequality of temperature between itself and the surrounding atmosphere can exist.

From the explanations already given, the reader will easily perceive why dew is not deposited on bright metallic substances, or on the human body.

The frugality of nature in the distribution of dew, observed Professor Olmsted, is worthy of remark. Possessed, as it is, of highly fertilizing properties, it does not fall but where it can be of use. It does not fall upon the barren and unproductive sea, where it would be wasted, but upon the fruitful and beneficent earth.

Fog.—The facts relative to the phenomena of fogs, are as follows: They are more common, and of greater density, in cold than in hot climates; in valleys than in marshes; on the sides of mountains. Fogs do not prevail in the open sea, but on shoals, sand banks and capes, and over rivers. The banks of Newfoundland are celebrated for fogs.

The general cause of fogs is as follows: The air over land being heated to a higher temperature than that over the sea, rolls off, and its place is supplied by colder air; the meeting of the air of different temperatures, causes a great amount of moisture to be produced, and usually occurring at night, it remains suspended in the form of fog, until dispelled by the rays of the sun.

Clouds.—The height of clouds above the surface of the earth, varies from one half to four miles. The different kinds of clouds have been classified, by meteorologists, and designated by the following nomenclature, viz.: cumulus, cirrus, stratus, nimbus, and cirro-cumulus, cirro-stratus, and cumulo-stratus.

Clouds are formed by the evaporation of moisture from the earth's surface, ascending until counter-balanced by the inferior density of the atmosphere in the upper regions. Thus counter-balanced, it remains suspended in the form of a watery vapor, to which we give the name of clouds.

Some of the surest prognostications of the weather, are, it is well known, derived from the clouds, and the different appearances they assume were well illustrated by Professor Olmsted by means of appropriate diagrams.

LECTURE III.

Of Rain.

In relation to the phenomena of rain, Professor Olmsted observed, that great differences existed in the quantity falling in different countries; in some places it rains almost continually, while in others little or no rain falls during the whole year. In Guiana, in South America, and on the coast of Guinea, rains are continual and copious; but in Egypt, Arabia, and on the

coasts of *Peru* and *Chili*, it seldom or never occurs. In other places, again, the rains are periodical; as in the West India islands, in Abyssinia, in Brazil, and on the coasts of Coromandel and Malabar, in the East Indies. There are also occasional floods of rain which continue only for a short time, but during which immense quantities of water fall. One of these floods occurred at Catskill, in this state, about twenty years since, when the quantity of rain which fell was estimated at 12 inches. Similar floods have occurred at Cayenne, in South America.

The annual amount of rain is different in different latitudes. At the equator, the quantity which annually falls is about 80 inches; in latitude 45, 30 inches; and in latitude 60, 16 inches.

We come now to the principle on which the theory of rain depends. It is a well-ascertained fact, said the lecturer, that when two portions of air of different temperature are mixed, moisture or a watery vapor is the result; and upon this principle does the theory of rain depend. When the atmosphere becomes heated by the rays of the sun, it loses a portion of its gravity. It consequently rises into higher regions, where encountering oftentimes a current of cold air, a large amount of watery vapor is produced, and is precipitated to the earth in the form of rain.

It would be natural to suppose, that the quantity of rain produced would be proportionate to the causes; or, in other words, that the greater the degree of heat which the warmer air attained, the greater would be the fall of rain. And, accordingly, we find this to be the case; since in very warm days in summer, the earth is refreshed with frequent and copious showers, far more abundant indeed, than the rains which fall in colder seasons of the year. In the warm climates of tropical regions, also, a far greater quantity of rain falls, than in cold or temperate climates.

From the explanation above given, of the cause of rain, it would be proper to infer, that constant or steady winds would produce *dry weather*; variable winds, *rain*. Let us examine whether this doctrine is supported by facts. We find, from the well-authenticated accounts of travellers and geographers, that in those regions where it never rains, as in Egypt, for instance, the wind blows almost always from the north. In other portions of the earth, as Guiana, and some parts of Brazil, where it rains daily, the winds are very variable. Those places in which rains are of daily occurrence, are generally near the sea. The air over the land becoming heated, ascends, and meeting with a current of colder air from the sea, is the cause of the frequency of the phenomenon.

In some portions of the world, also, the rains are periodical, as in many parts of the East Indies; or, in other words, the year is divided into two seasons, a rainy and a dry. If our theory be correct, we should find that in those countries the winds are constant in the dry season, and variable in the wet. And this we know to be the case from the narratives of travellers and residents in those regions.

From what has been observed, it would appear probable that *extraordinary* falls of rain are characterized by the meeting of violent opposite currents of wind, and this we find was actually the case with the great storm of Catskill, in 1818, as recorded in Silliman's Journal.

It may be asked, why our north-easterly storms continue so long with the wind in one direction. The reason is, that there is a constant counter-current from the south-west, blowing at the same time, in the region of air immediately above that where the north-easterly wind prevails, and the

meeting of these two currents, one warm and the other cold, according to the theory before adverted to, must produce rain.

Professor Olmsted next considered the project for producing artificial rain, as advanced by Mr. Espy, of Philadelphia, and in that connexion observed that the principle itself was correct, and that if it were possible to create an artificial fire of several acres in extent, rain might probably be produced in a small district of country. We know, indeed, that in London and its vicinity, and in the large manufacturing towns of Great Britain, it rains almost every day; a circumstance to be attributed to the immense number of fires which are constantly burning in those places. But, in common with most other persons, he of course doubted the practicability of producing rain by artificial means.

MERCANTILE BIOGRAPHY.

ART. XI.—NOTICE OF JOHN LANGDON.

THE circumstances attending the early settlement of Massachusetts and New Hampshire, though generally supposed to be similar, were in some respects widely different. The planters of the old bay state left their native country, for the sake of enjoying here a degree of freedom in religion, of which they were deprived in the land of their fathers. The settlers of Piscataqua, were actuated by a very different purpose. The pursuit of gain was uppermost in their thoughts, and they embarked at once in the fisheries and trade, which they followed with success, until many of the first settlers became men of opulence in the new country. The great importance of the fisheries, seems not to have escaped the attention of Captain Smith, the discoverer of New Hampshire; for in his account of New England, he thus addresses his countrymen: "Therefore, honorable and worthy countrymen, let not the meanness of the word *fish* distaste you, for it will afford you as good gold as the mines of Potosi and Guiana, with less hazard and change, and more certainty and facility."

A reverend divine, in 1690, was preaching in Portsmouth, on the depravity of the times, and said: "You have forsaken the pious habits of your forefathers, who left the ease and comfort which they possessed in their native land, and came to this howling wilderness to enjoy without molestation, the exercise of their pure principles of religion." One of the congregation immediately rose, and interrupted him, thus: "Sir, you entirely mistake the matter; our ancestors did not come here on account of their religion, *but to fish and trade.*" A better illustration of the pursuits of the early settlers of New Hampshire, perhaps, it would be difficult to give. The people of Portsmouth, wealthy and enterprising as they are, have followed the advice of Captain Smith, and have never suffered "the word *fish* to distaste them," but have made it indeed "a mine of gold" to that ancient and flourishing town.

Among the citizens of New Hampshire, educated as merchants, who have risen to public distinction, no one, perhaps, occupied a wider space than JOHN LANGDON, of Portsmouth. He was born in 1740, and received his early education in the celebrated grammar school of Major Samuel Hale.

The father of young Langdon, who was a thrifty farmer, intended his son should engage in the same occupation; but the latter, looking upon commerce as the grand highway to wealth, set his heart upon becoming a merchant, and accordingly made the necessary preparations to enter a counting-house.

One of the most extensive and successful mercantile houses at that time in Portsmouth, was that of Daniel Rindge, a counsellor under the provincial government, and to him young Langdon made application and was admitted to his counting-house, and soon became thoroughly versed in commercial transactions. After completing his apprenticeship with Rindge, he made several successful and very profitable trading voyages, with the view of ultimately establishing a commercial house of his own, in his native town. But the dark clouds that preceded the Revolution, began to skirt the horizon, and his mind was suddenly turned in a new direction. Naturally of a bold and fearless disposition, he entered at once into the feeling of the colonists; and, possessing in a remarkable degree the power to win over multitudes, he became the acknowledged leader of the "sons of liberty" in that little province, as much so as Samuel Adams and John Hancock, in Massachusetts.

Langdon was a leader exactly suited to the crisis. He took a conspicuous and active part in the struggle, and soon became obnoxious to the government and many of the loyal citizens, who feared the total annihilation of their trade, and looked upon disloyalty as a crime of the deepest dye. In the fall of 1774, after it had become apparent that the crisis must come, Langdon gathered around him a band of choice spirits, and together they proceeded in silence to the king's fort at New Castle, seized upon all the powder and military stores, and removed their booty to a place of concealment, whence it could be called into use in case of emergency. This bold act produced at once an intense excitement. Gov. Wentworth stormed, and issued proclamations, but not a voice uttered, or a thought whispered the secret. This was in December, four months before the battle of Lexington.

In the spring of the year 1775, John Langdon was chosen a delegate to Congress, and attended the session which commenced in May, at Philadelphia. In January, 1776, he was re-appointed a delegate, but was not present on the adoption of the Declaration of Independence. He commanded a company of cadets soon after the commencement of the war, and at the time of the surrender of the British army under Burgoyne, he was a volunteer at Bennington. He was also at Rhode Island with a detachment of his company, at the time the British troops had possession of the island, and when General Sullivan brought off the American troops. No man had a higher popularity with the people at this time, than John Langdon. He was elected repeatedly to the legislature, and was for several years speaker of the assembly.

When the news of the fall of Ticonderoga reached New Hampshire, the provincial legislature was in session at Exeter. It was at a period when the resources of the patriots were almost exhausted, the public credit was gone, and the members of the assembly were disheartened. The men of New Hampshire had already exerted themselves to the utmost for the good of the cause. John Langdon was speaker of the assembly at the time. He rose in his place, on the morning after the intelligence was received, and addressed the house to the following effect: "My friends and fellow-citizens—I have three thousand dollars in hard money; I will pledge my plate for three

thousand more. I have seventy hogsheads of Tobago rum, which shall be sold for the most it will bring. These are at the service of the state. If we succeed in defending our firesides and homes, I may be remunerated; if we do not, the property will be of no value to me."

This noble proposal infused new life into the assembly: and in the course of a few days, by means of the funds advanced by John Langdon, a brigade was assembled, and on its march to the frontiers, and to victory, under the gallant Stark. During the whole of the revolutionary struggle, Langdon was ever active and constant in his labors for the good cause. A man of the people, in the emphatic sense of the term, he was always popular with the great mass, whose interests he made it a point to sustain on all occasions. Possessing a handsome address, and being open, obliging, and generous in his general conduct, he was calculated to gain the public esteem, and was among the few who were fortunate enough to retain it through life. He was honored with the highest offices the people could bestow. He was twice president of the state, under its first constitution; was a member of the convention which formed the federal constitution; was twelve years senator in congress, and subsequently, for six years governor of the state. In 1811, he retired from public life, although urgently pressed to accept the nomination of the vice-presidency, an office to which he might have been elected, had he not preferred the quiet and repose of private life. In the enjoyment of domestic relations, in his family, and a wide circle of friends, he chose to pass the evening of his days, remote from the cares and bustle of public life. He was religious, without being obnoxious to the charge of bigotry—and was liberal of his ample means, for charitable and benevolent purposes. He died at Portsmouth, in September, 1819, universally lamented by a people, in whose service he had spent the greater portion of his active life.

MERCANTILE LITERATURE.

COMMERCE AND LITERATURE.

Anniversary Poem delivered before the Mercantile Library Association of Boston. By JAMES T. FIELDS.

AN opinion very generally prevails among the mercantile classes of the present day, that commerce and literature are at war with each other; that he who is engaged in the pursuit of the one must entirely abandon the pursuit of the other. We say that this opinion is general; the time has been, nor is it far distant, when it was almost universal; but we think more liberal views and feelings upon this subject are fast growing upon the public mind, and, to the end that we may encourage them, these few prefatory remarks are made. To cite instances in proof that a love of letters and a love of trade may happily exist in unison, it is unnecessary to go back to the glorious days of Venice and Florence, when commerce, literature, and the arts, went hand in hand together; we could mention the names of hundreds of the present era, who have been alike successful in the field of letters and the field of commerce.

It is a trite remark, and one which meets us at every turn, that the present is a practical matter-of-fact age, mainly characterized by selfish indulgences and selfish pursuits. In this there is doubtless much truth, but there is much that is noble in the spirit of the age; nor can we believe that all delight in literature and the arts is gone, when we see so many true poets, painters, and sculptors, alive in the world; and we will not doubt but the strong current of public taste will yet set in its proper channel, and that the people will see and feel, that, although public virtue is the chief excellence in a nation, nothing but genius can perpetuate it, and give to the future the lessons and glory of the present.

It is not our intention to examine the poem before us by the laws of criticism ; it is evidently from the pen of a youthful writer, exhibiting considerable ability, with a want of a thorough knowledge of the laws of versification, and maturity of judgment ; but we had rather encourage than depress the laudable efforts in literature of that respectable and important class of young gentlemen — merchants' clerks — to which we believe the author belongs. The following is the opening of the poem :

" When daylight fades, and o'er the silent deep
Heaven's sentry-stars their wonted vigils keep,
When night's cold dews o'er listless nature steal,
Why stands yon helmsman at the lonely wheel ?

" When the fond wife, with all a mother's care,
Kneels down to hear her infant's matin prayer,
What tempts their guardian from his home to stray,
And wander far from that dear group away ?
Say, what charmed spirit in the restless wave
Allures him forth its troubled path to brave ?

" Unmask, bold Traffic ! thou art weaving now
Thy golden fancies round the seaman's brow ;
Thou hast at will the magic power to guide
His heart from home, and child, and cherished bride ;
Thou hast a spell he may not rudely break,
That fires his soul and bids each pulse awake,
Nerves every sinew when the whirlwinds fly
In thundering combat through the riven sky ;
And as faint hope with storm-rent flag sinks down,
Where raging gulfs her feeble whisperings drown,
Thy charm still broods above the foundering wreck,
And smiles triumphant o'er the sea-washed deck.

" We are its votaries, brothers ; and we come,
Like weary children to a common home,
To steal a moment from its busy strife,
And breathe awhile amid the flowers of life,
Pausing together, still perchance to find
The joys which happier hours have left behind.

" And as some actor, at the prompter's ring,
Follows with trembling gait the drama's king,
And, while that master-spirit lights the stage
With all the splendor of a golden age,
Crosses the footlights with unnoticed stir,
To clasp a bracelet or unloose a spur, —
So I, a lisper, at this festal time
Have come to greet you in untutored rhyme."

In our next extract Halleck and Sprague are alluded to ; the former, we believe, is no longer

" Busy in the cotton trade
And sugar line,"

but is cashier for that distinguished millionaire, John Jacob Astor.

" Oh, not unblest the merchant's daily toil,
Nor wasted all his thoughts and midnight oil.
Lo ! where the bard of Alnwick Castle pores
O'er traffic's page, anon aloft he soars,
Nobly obedient to the muse's call,
And leads the van, most honored of them all.
And he who sweetly tunes the lyric strings,
Whose heavenward strains are borne on gentler wings ;
In yonder street his earnest eye behold,
Turned from Parnassus to his piles of gold ;

Can his known prudence in these times assuage
The fears and scruples of a *paper age*?
Does he in banking as in verse excel?
Let financiers and calm directors tell!"

The following tribute is paid to that distinguished navigator and mathematician, Nathaniel Bowditch:

"And shall we leave unsung his honored name
Whose memory gilds his country's rising fame?
Shall not one strain in grateful homage rise
To wreath his tomb who read yon vaulted skies?
Shall we forget this joyous eve to gaze
On that far pathway, lit with wisdom's rays?
Bright guide to commerce! though, alas, no more
Thy buoyant footsteps mark earth's narrow shore,
Though not for thee yon glistening pleiads burn,
Though not for thee heaven's wheeling orbs return,
Though from this spot no longer looks thine eye
As once to scan the countless worlds on high,—
In every age, through every sea and clime,
The name of BOWDITCH triumphs over time."

With the following extract, descriptive of a speculator's visit to his "Maine lands," we must conclude:

"Mark now the fall! Before the season's late,
Our wealthy lord must visit his estate;
And as his jaunt will raise some small alarms
Among the tenants of th' adjoining farms,
He takes the statutes of the state of Maine,
His new brown coat, his golden-headed cane;
Kisses his children, bids his wife adieu,
And ere he knows it, half his journey's through.
With map unrolled, he leaves the village inn,
Looking like Fusbos, when he conquers Finn;
Meets on his way some tiller of the ground,
Perhaps his own — who knows — he's hale and sound;
The great man stops, the yeoman rolls his quid,
Nor doffs his beaver as the landlord did;
'Are you employed, sir, on the John Smith farm?'
Our shopman asks, his anger waxing warm;
'They say John Smith owns yonder swamp down there,'
Replies the ploughman, straightening out his hair,
'But as to farming, it is very clear,
He'll find more black snakes than potatoes here.'

"Oh, short-lived bliss! the shopman looks around,
And finds his farm a tract of barren ground;
His forest trees to dwarfish shrubs decline,
His turrets vanish, nor can he divine
With what intent a railroad could be made
To such a spot, where neither lawn nor glade,
Nor aught inviting to the eye of taste,
Relieves the dullness of the steril waste.

"The bubble's burst! the dupe returns in haste,
Makes a small entry in his dusty Waste,
Ere yet the rumbling of the mail has ceased,
'Profit and loss to cities lying east';
And he who revelled on uncounted means,
Will sell his township for a mess of greens."

FOOT'S ARGUMENT IN FAVOR OF THE GENERAL BANKING LAW.

We have received a pamphlet, containing an argument in favor of the constitutionality of the General Banking Law of this state, delivered before the Supreme Court, at the July term, 1839, by Samuel A. Foot, Esq., and recently published, which embodies much talent, and evinces deep research and profound legal knowledge.

The subject which is here so learnedly discussed, imperatively called for a display of the highest order of talent, as well on account of the important pecuniary interests involved, as from the disastrous results, which would inevitably flow from the adjudicated illegality of a measure, which has already become so identified with the existence of our credit at home and abroad.

The preliminary remarks of the learned author, are characterized by soundness and elegance; illustrating in a forcible manner, the great inconvenience and injury which must arise, in even doubting the constitutionality of the principles upon which our banks, under this law, are based; and in adverting to the possibility of their being declared a violation of the constitution. The immense amount of losses which would then follow, the litigation which would ensue, and the financial derangement and commercial prostration necessarily resulting, were vividly presented, and eloquently urged.

Connected with the subject of this argument, the natural and constitutional right of every citizen to exercise the privilege of free banking is ably considered and clearly established; and a history of the restraints imposed by law upon private banking is given, and their tendency and operation examined.

The ground upon which the constitutionality of this law was questioned, being that the associations formed under it were corporations, and that it required two thirds of the legislature to concur in their creation; it became necessary in the course of this argument, to show in what the legal and essential requisites of a corporation consisted. In elucidating this portion of his argument the author evinces a clearness of arrangement, an originality of thought, and a familiarity with legal principles, which mark the finished and well-read lawyer.

In examining this branch of his subject, judicial decisions which are applicable swell the authority, which the strength of his reasoning affords. The rights, franchises, and privileges of corporations, as they existed at common law, are clearly pointed out, and the various alterations, and modifications, introduced by statutory provisions, are ably considered.

A history of the passage of this law through our legislature, is presented by the author, in support of his argument. The objections which were then made, the modifications it underwent, and the care which was bestowed in framing its provisions, are urged, to show that every constitutional objection was intended to be met and obviated previous to its final passage.

The importance of the principles contained in this argument, with reference to the subject to which they are applied, and the necessity of their being understood, and rightly appreciated by the merchant and man of business, to whom they are of peculiar interest, form a sufficient recommendation for its perusal.

The creation and operation of banking associations, organized under the provisions of this act, form a new and distinct feature in the financial history of this country, and open a still wider field for commercial enterprise; and it is of the deepest importance to all who are desirous of embracing the opportunities, which are afforded by this law, for the profitable investment of capital, to obtain a thorough knowledge of its legal construction, and effect. So short a time has elapsed, since the passage of this act, that few judicial decisions have been made, calculated to settle the rights, and determine the liabilities of associations, erected under its provisions; and the final decision of the case in which this argument was delivered will settle all questions as to its constitutionality.

So far as the state of the pleadings would permit, the Supreme Court, at the October term, decided the points discussed in this argument.

The court expressed the opinions, *First*, that associations formed under the General Banking law are corporations; *Second*, that the assent of two thirds of the members elected to each branch of the legislature was necessary to the passing of the act; and, *Third*, that if passed by a two third vote, the act is constitutional.

On the last point, Mr. Justice Bronson was not prepared to concur, but on the other questions, the opinion of the whole court was expressed.

COMMERCIAL STATISTICS.

IMPORTS AND EXPORTS OF SPECIE.

A TABLE, compiled from public documents published by Congress, by S. Hazard, Esq. of the United States Statistical Register, and embracing only the Specie which comes under the notice of the Custom House, and does not probably include that which is in the personal possession of Emigrants arriving in or departing from the United States.

Years.	IMPORTS.		Total Imports.	EXPORTS.		Total Exports.
	COIN.			COIN.		
	Gold.	Silver.		Gold.	Silver.	
1821	.....	.....	8,064,896	.....	10,477,969	10,478,059
1822	.....	.....	3,369,846	.....	10,781,392	10,810,180
1823	.....	.....	5,097,896	.....	6,371,187	6,372,987
1824	34,954	8,013,499	8,379,835	.....	7,014,552	7,014,552
1825	378,257	5,252,661	6,150,765	315,672	8,470,534	8,797,055
1826	562,546	5,740,139	6,880,966	434,555	3,623,385	4,093,678
1827	1,019,399	6,618,077	8,151,130	820,304	6,139,155	8,014,880
1828	738,570	6,216,458	7,489,741	928,984	6,565,804	8,243,476
1829	706,038	5,749,839	7,403,612	935,102	3,136,941	4,924,020
1830	705,879	6,285,475	8,155,954	474,876	731,955	2,178,773
1831	765,838	5,687,633	7,305,945	899,365	5,831,830	9,014,931
1832	614,665	4,454,107	5,907,504	630,850	3,351,417	5,656,340
1833	563,585	6,160,676	7,070,368	495,890	1,722,196	2,611,701
1834	3,472,507	13,631,043	17,911,632	276,909	1,383,987	2,076,758
1835	1,669,739	10,040,958	13,131,447	625,679	5,122,495	6,477,775
1836	5,318,725	5,850,669	13,400,831	275,940	3,624,186	4,324,336
1837	1,895,265	7,490,309	10,516,414	1,828,653	2,756,914	5,976,249
1838	11,441,189	5,679,390	17,747,117	740,263	2,292,342	3,508,046
	29,890,146	102,870,933	162,870,933	9,682,532	89,398,781	110,578,796

In the above table, the amount of Bullion imported and exported is omitted. The aggregate for eighteen years is as follows:

Imported—Gold \$4,611,740
Silver, 8,230,501

Total \$12,842,241

Exported—Gold \$269,928
Silver 872,351

Total \$1,142,279

COMMERCE OF MAINE, FROM 1820 TO 1838.

Years.	EXPORTS.			Imports.	Duties on foreign merchandise imported.	Drawbacks on foreign merchandise.	Registered tonnage.
	Domestic.	Foreign.	Total.				
1820	1,082,568	25,463	1,108,031	....	402,994	24,963	67,274 22
1821	993,923	46,925	1,040,848	980,294	363,846	43,229	60,835 03
1822	1,013,873	22,789	1,036,642	943,775	347,516	35,979	60,860 84
1823	865,016	30,455	895,501	891,644	356,956	37,394	63,440 39
1824	870,871	29,324	900,195	768,443	354,095	27,004	71,318 19
1825	964,654	66,463	1,031,127	1,169,940	446,800	57,877	80,468 64
1826	1,001,875	50,700	1,052,575	1,245,235	384,637	22,831	86,555 64
1827	1,033,035	37,099	1,070,134	1,333,390	402,842	29,979	84,347 86
1828	1,003,642	15,875	1,019,517	1,246,809	449,178	32,413	98,749 41
1829	729,106	8,726	737,832	742,781	367,215	23,556	84,319 75
1830	613,435	27,087	670,522	572,666	342,260	12,323	70,585 47
1831	799,748	5,825	805,573	941,407	346,647	15,499	69,753 55
1832	907,286	74,157	981,443	1,123,326	359,486	21,906	84,486 55
1833	989,187	30,644	1,019,831	1,380,308	336,381	19,613	88,118 32
1834	815,277	18,890	834,167	1,060,121	244,518	8,794	105,443 49
1835	1,041,951	14,416	1,059,367	883,389	239,730	1,386	101,912 93
1836	836,074	14,912	850,986	930,086	172,154	678	118,605 68*
1837	847,276	8,678	855,952	801,404	....	....	90,750 84*
1838	915,076	20,456	935,532	899,142	....	....	96,382 76*

Maine became a state in 1820. Prior to that year, its commercial statistics are embraced in the Table of Massachusetts, published on p. 978.

COMMERCE OF ALABAMA, FROM 1818 TO 1838.

Years.	EXPORTS.			Imports.	Duties on foreign merchandise imported.	Drawbacks on foreign merchandise.	Registered tonnage.
	Domestic.	Foreign.	Total.				
1818	84,764	12,083	96,857	....	23,395	....	....
1819	50,456	450	50,906	....	7,233	....	....
1820	96,036	....	96,036	....	15,579	....	2,538 87
1821	108,760	....	108,960	....	16,398	385	1,088 68
1822	209,48	....	209,748	36,481	38,073	....	619 60
1823	200,87	....	200,387	125,770	34,416	169	140 69
1824	457,725	3,002	460,727	91,604	44,710	236	829 62
1825	691,897	738	692,635	113,411	57,075	232	821 57
1826	1,518,701	8,411	1,527,112	179,554	50,965	6,992	1,494 18
1827	1,330,770	45,594	1,376,364	201,909	101,112	55	1,462 37
1828	1,174,737	7,892	1,182,559	171,909	93,172	13,364	3,596 07
1829	1,679,385	14,573	1,693,958	233,790	133,552	3,950	4,625 30
1830	2,291,825	3,129	2,294,591	144,823	90,732	2,000	1,565 79
1831	2,412,862	1,032	2,413,894	224,435	50,023	999	2,137 56
1832	2,733,554	2,833	2,736,387	107,787	57,166	414	2,330 83
1833	4,522,291	5,740	....	265,918	46,940	510	1,920 21
1834	5,664,047	6,750	....	395,361	57,493	1,063	4,180 61
1835	7,572,128	2,564	....	625,955	92,865	....	4,556 34
1836	11,183,748	378	....	651,618	138,840	913	1,741 16*
1837	9,652,910	18,491	....	609,385	....	....	2,733 69*
1838	9,688,049	195	....	524,548	....	....	8,203 22*

This state receives its supplies of foreign goods principally from the northern states, which will account for the small amount of foreign imports by sea.

* Ending September 30.

[From Hazard's Com. & Stat. Register.

COMPARATIVE STATEMENT OF EXPORTS OF COTTON FROM THE UNITED STATES.

EXPORTS FROM	1838-9.			1837-8.		
	<i>Great Britain.</i>	<i>France.</i>	<i>Other Ports.</i>	<i>Great Britain.</i>	<i>France.</i>	<i>Other Ports.</i>
DATE.						
New Orleans, Sept. 30	309,768	122,452	10,486	481,501	127,828	22,108
Natchez, Sept. 30	2,009	.....	.....	15,246	.....	.....
Mobile, Sept. 30	125,635	22,304	2,008	158,029	64,123	5,908
Savannah & Darien, Sept. 30	97,853	10,480	2,234	197,971	27,024	1,192
Charleston and Georgetown, Sept. 30	119,486	30,665	8,109	158,212	55,685	32,570
Virginia, Sept. 30	6,648	98	1,054	12,205	4,136	3,097
New York, Sept. 30	125,674	53,123	9,213	97,005	42,929	22,016
Other ports, Sept. 30	16,356	3,121	924	60,412	2,755	2,151
Total	800,429	242,253	34,028	1,180,581	321,480	89,042

COMMERCE WITH BRAZIL — RIO JANEIRO.

The commerce of the United States with Brazil is important; nearly one third of the coffee, and a large portion of the sugar and hides of foreign importations, is from Brazil. Our exports of flour, provisions, and the various articles of domestic manufactures, amounted last year, closing with 30th Sept., to \$2,094,957. To show the importance of our commerce, we subjoin the imports and exports of a few leading articles for the last five years, and under the appropriate head, "*Commercial Treaties and Regulations*," will be found an article from a late Rio circular, which will, we think, be found useful to some of our commercial men who have a direct intercourse with the Brazilian provinces, and particularly with Rio Janeiro.

The *importations* into the United States from Brazil for the five preceding years, ending 30th Sept., were as follows:

<i>Year.</i>	<i>Am. Vessels.</i>	<i>For. Vessels.</i>	<i>Total Imp.</i>
1834	\$4,547,119	\$182,850	4,729,969
1835	5,547,949	26,517	5,574,466
1836	6,553,186	657,004	7,210,190
1837	3,940,059	1,051,924	4,991,983
1838	3,116,843	74,395	3,191,238

Of the above, besides the value of the hides imported each year, the following shows the value of the coffee for each consecutive year, which was \$2,819,038; \$3,602,000; \$4,623,385; \$3,254,965; \$2,323,205; and of the brown sugar in like manner: \$356,865; \$395,063; \$1,579,596; \$199,387; \$429,853.

<i>Year.</i>	<i>Coffee.</i>	<i>Brown Sugar.</i>	<i>Hides in val.</i>
1834	lbs. 26,571,368	lbs. 6,816,156	\$1,093,131
1835	35,774,876	7,969,883	1,150,691
1836	46,840,219	27,849,654	679,634
1837	33,906,246	3,287,401	947,493
1838	27,411,986	7,885,067	124,730

Exported from the United States to Brazil within the above specified time, of foreign and domestic articles, the following amount:

<i>Year.</i>	<i>For. Export.</i>	<i>Dom. Export.</i>	<i>Total Export.</i>
1834	\$473,254	\$1,586,097	\$2,059,351
1835	797,865	1,810,791	2,608,656
1836	1,362,195	1,732,741	3,094,936
1837	441,992	1,301,217	1,743,209
1838	562,237	2,094,957	2,657,194

Of the domestic exports noticed above, the following will show how far flour and bread, cotton manufactures, and spirits from grain, contributed to make up the list, to say nothing of provisions, oil, sperm candles, household furniture, and other manufactures of the United States.

Year.	Flour and Bread.	Cotton Man.	Spirits.
1834.....	\$894,440	\$234,721	\$19,986
1835.....	991,269	266,916	16,640
1836.....	884,126	200,994	6,058
1837.....	618,680	303,102	8,302
1838.....	1,086,033	536,513	12,641

The exports from Rio Janeiro for the month of June last, compared with those in the same period of the two preceding years, were as follow :

	Coffee, bags and barrels.	Sugar, in cases.	Hides, No. of.
In 1839.....	52,188	1,544	17,756
1838.....	60,603	1,585	6,241
1837.....	42,234	2,438	22,577

The export of sugar during the first six months of

1839 was	9,607 cases.
1838 "	10,439 "
1837 "	6,519 "

The exports from Santos, 1838-1839, were 400,000 arrobas, against 294,000 in 1837-1838.

The stock of hides on hand at Rio Janeiro, at the close of June last, was about 20,000, nearly all heavy weights.

Export in the first six months of 1839.....	92,322 hides.
Do. do. 1838.....	105,366 "
Do. do. 1837.....	67,446 "

EXPORTS OF SILK FROM GEORGIA, FROM 1755 TO 1773.

In Bernard Roman's History of Florida, we find a statement of the exports from Georgia for eighteen years. One of the articles is raw silk. A considerable interest is felt in the production of this article, and as some doubts have been expressed as to the ultimate success of the various projects now in operation, it may be useful to show, occasionally, what has been heretofore accomplished. With this view, the following statement is presented :

1755-6.....	438 lbs.
1757.....	269
1758.....	358
1759.....	258
1760.....	734
1761.....	558
1762.....	332
1763.....	380
1764.....	953
1765.....	898
1766.....	711
1767.....	1084
1768.....	617
1769.....	541
1770.....	332
1771.....	290
1772.....	438
1773.....	485

9829 lbs.

Being an average, in eighteen years, of 546 lbs. per annum.

COMPARATIVE PRICE OF WHEAT.

A TABLE, showing the price of Wheat, as settled at the Patroon's office, on the first of January, during the several years there mentioned, as published in the *Troy Daily Whig*, edited by James M. Stevenson, Esq.

January 1st, 1825	1 bushel of wheat, 8s	4 fowls, 4s	1 day's services, 16s
.. 1826	1 7s	4 .. 4s	1 16s
.. 1827	1 8s	4 .. 4s	1 16s
.. 1828	1 8s	4 .. 4s	1 16s
.. 1829	1 14s	4 .. 4s	1 16s
.. 1830	1 8s	4 .. 4s	1 16s
.. 1831	1 10s	4 .. 4s	1 16s
.. 1832	1 10s	4 .. 4s	1 16s
.. 1833	1 10s	4 .. 4s	1 16s
.. 1834	1 8s	4 .. 4s	1 16s
.. 1835	1 8s	4 .. 4s	1 16s
.. 1836	1 12s	4 .. 4s	1 16s
.. 18 7	1 18s	4 .. 6s	1 16s
.. 1838	1 13s	4 .. 6s	1 16s
.. 1839	1 14s	4 .. 6s	1 16s

COMMERCIAL REGULATIONS AND TREATIES.

IMPORT AND EXPORT DUTIES, PORT CHARGES, ETC., IN BRAZIL.

A direct trade with foreign countries is only permitted in such ports of the empire of Brazil, where there are custom-houses established; they are the following: Para, Maranhão, Parnahiba, Fortaleza (*Ceara*), Aracaty (*Ceara*), Rio Grande North, Parnahiba, Pernambuco, Maceyo (*Alagoas*), Larangeiras (*Sergipe*), Bahia, Espírito Santo, Rio de Janeiro, Santos, Paranaqua, St. Catharine, Rio Grande, São Borja (*R. G. south*), Porto Alegre, (*R. G. S.*)

IMPORT DUTIES.—All foreign merchandise is subject to an import duty of 15 per cent., except tea, which pays 30 per cent., and gunpowder, as also wines and spirituous liquors, (the production of countries which have no commercial treaty with Brazil) paying 50 per cent., on valuations fixed by a tariff, (which is the same throughout the empire) and articles not specified in such tariff, pay duty on a value declared by the importer, the custom-house officers having the right to take the goods at such value, and 10 per cent., thereon. The countries having treaties with Brazil, and the dates when they expire, according to the intimation sent from the foreign office to the custom-house, are as follows: Prussia, 25th November, 1839; Hanse towns, do; Denmark, 7th March, 1840; United States of North America, 17th November, 1841; Holland, and Belgium, 18th April, 1841; Great Britain, 15th November, 1842. Since the 1st of July, 1839, wines, spirituous liquors, and flour, are subject to a special weekly tariff. A committee has been appointed by the Government to revise the general tariff; considerable progress has been already made in such revisions; when completed and determined to be put in force, we shall publish the particulars in our pages.

Besides the aforementioned duties, goods (excepting linen cambrics, lace of thread or silk, manufactures of gold or silver, and precious stones, which pay only $1\frac{1}{4}$ per cent. *expediente*.) are subject to a charge of 5 per cent. on the like valuations for clearance charges and storage rent, (*expediente* and *armazenagem*) dry goods are, however, permitted to remain in the custom-house warehouses without any further additional charge, for a period not exceeding four months; after the expiration of which they incur a charge of $\frac{1}{4}$ per cent. per month; articles that come under the denomination of *Estive-goods*, are allowed to remain for the space of one month, and then pay $\frac{1}{4}$ per cent. per month storage rent.

Machinery, not previously in use at the port where imported is duty free, but subject to the charge of 5 per cent. for *expediente* and *armazenagem*.

N. B. Wines and spirituous liquors pay further 1,500 rs. per pipe of 188 medidas to the *misericórdia* hospital, and 200 rs. per pipe of any size, town dues.

EXPORTATION.—Prior to the first of July, coffee from the *serra-abaiço* (low country) paid 11 per cent., and from the *serra-acima* (upper country) 10 per cent. if of the province of Rio Janeiro; but if from any other, on presentation of the requisite certificate

of origin, only 7 per cent. However, by the Provincial Budget of the 10th of June, the distinction between from the serra-abaixo and serra-acima is done away with, both paying alike, namely, 11 per cent.

Tobacco pays 12 per cent. if from the province of St. Pauls; but if from that of Minas, only 7 per cent. Maize, rice, and pulse, if of the province of Rio Janeiro, pay 12 per cent, if any other, 7 per cent. Indigo, tapioca, and any articles not otherwise specified, pay 7 per cent. Sugar pays since 1st July, 2 per cent. additional provincial duty, which is likely to fall on the exporter.

The above duties are levied upon valuations fixed by a weekly tariff.

Precious metals in coin or bars, and gold dust, whether foreign or national, are subject to an export duty of 2 per cent. *ad valorem*.

CUSTOM-HOUSE TARES AND ALLOWANCES.—On goods imported in packages and cleared by weight, the real tares are allowed; on liquors there is allowed for leakage and breakage, in glass bottles 5 per cent., stone do. 3 per cent., and in casks or demijohns 2 per cent., and on glass and earthen-ware 5 per cent.

RE-EXPORTATION AND TRANSHIPMENT.—Goods re-exported or transhipped pay 2 per cent., and when for the coast of Africa, 13 per cent. additional.

FRANQUIA.—Vessels may enter in Franquia, 1st, when bringing no cargo for the port; 2d, when bringing only part cargo for the port, and the remainder for another destination; 3d, when putting in to learn the state of the market, or for refreshments or repairs.

MANIFESTS.—Every commander of a vessel is required to bring a very exact manifest of her cargo in duplicate, signed by the Brazilian Consul, resident at the loading port. At ports where no such Consul resides, the said manifest must be signed by two Brazilian merchants, or if there be none such, then by two native merchants, the signatures in either case being certified by the competent local authority. Non-compliance with this regulation or inaccuracies in the manifests, as also irregularities in discharging or loading, subject vessels to heavy fines.

PORT CHARGES.—All foreign vessels, as also national vessels trading with foreign parts, pay 30 reis per diem anchorage, for each ton of Brazilian admeasurement, (which proves generally about the true burthen,) calculated for 50 days from the date of each entry into the port, but all vessels are exempt from this due that introduce 100 white colonists into any port of Brazil. The remaining port charges do not exceed from 30 to 40 milreas for each vessel, according to her size.

PILOTAGE.—There are no pilots for the port of Rio de Janeiro, nor are any necessary for entering that noble harbor, as there are no hidden dangers of any kind.

SALE OF VESSELS.—A duty of 5 per cent. *ad valorem* is payable upon the sale of all vessels, whether foreign or national, and of 15 per cent. upon foreign vessels being naturalized.

FREIGHTS.—QUANTITY OF GOODS TO COMPOSE A TON.

Extract from the By-laws of the New York Chamber of Commerce.

Resolved, That when vessels are freighted by the ton, and no special agreement is made between the owner of the vessel and freighter of the goods, respecting the proportion of tonnage which each particular article shall be computed at, the following regulations shall be the standard of computation:

That the article, the bulk of which shall compose a ton, to equal a ton of heavy materials shall be in weight as follows: 1568 lbs. of coffee in casks, 1830 lbs. in bags; 1120 lbs. of cocoa in casks, 1307 lbs. in bags.

952 lbs. Pimento in casks, 1110 lbs. in bags.

Eight barrels of flour, of 196 lbs. each.

Six barrels of beef, pork, tallow, pickled fish, pitch, tar, and turpentine.

Twenty hundred weight of pig and bar iron, potashes, sugar, logwood, fustic, Nicaragua wood, and all heavy dye woods, rice, honey, copper ore, and all other heavy goods.

Sixteen hundred weight of coffee, cocoa, and dried codfish, in bulk, and twelve hundred weight of dried codfish in casks of any size.

Six hundred weight of ship bread in casks, seven hundred in bags, and eight hundred in bulk.

Two hundred gallons (wine measure) reckoning the full contents of the casks, of oil, wine, brandy, or any kind of liquors.

Twenty-two bushels of grain, peas, or beans, in casks, and thirty-six bushels, in bulk.

Thirty-six bushels of European salt.

Thirty-one bushels of salt from the West Indies.

Twenty-nine bushels of sea-coal.

Forty feet (cubic measure) of mahogany, square timber, oak plank, pine, and other boards, beavers, furs, peltry, beeswax, cotton, wool, and bale goods of all kinds.

One hogshead of tobacco, and ten hundred weight of dry hides.

Eight hundred weight of China raw silk, ten hundred weight net bohea, and eight hundred green tea.

BILLS OF EXCHANGE.

By a revised law of the state of New York, the following damages on bills drawn or negotiated in this state, and protested for nonpayment, are allowed, viz.

Bills drawn on the states of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New Jersey, Pennsylvania, Ohio, Delaware, Maryland, Virginia, or District of Columbia, *three per cent.*

North Carolina, South Carolina, Georgia, Kentucky, or Tennessee, *five per cent.*

Any other state or territory of the United States, or any other place on or adjacent to this continent, and north of the equator, or any British or other foreign possessions in the West Indies, or elsewhere on the western Atlantic ocean, or any port or place in Europe, *ten per cent.*

§ 19. Such damages shall be in lieu of interest, charges of protest, and all other charges incurred previous to, and at the time of giving notice of nonpayment, but the holder of such bill shall be entitled to demand and recover lawful interest upon the aggregate amount of the principal sum specified in such bill, and of the damages thereon, from the time at which notice of protest for nonpayment shall have been given, and payment of such principal sum shall have been demanded.

§ 20. If the contents of such bill be expressed in the money of account of the United States, the amount due thereon and of the damages herein allowed for the nonpayment thereof, shall be ascertained and determined without any reference to the rate of exchange existing between this state and the place on which such bill shall have been drawn, at the time of the demand of payment or of notice of nonpayment.

§ 21. If the contents of such bill be expressed in the money of account or currency of any foreign country, then the amount due, exclusive of the damages payable thereof, shall be ascertained and determined by the rate of exchange or the value of such foreign currency, at the time of the demand of payment.

TO MARINERS.

Lark Rock—Bay of Honduras.—A rock with only five feet water on it, hitherto unknown, was recently discovered by H. M. Surveying vessel Lark, Lieut. Thos. Smith, in Placentia Narrows, the channel used by all merchant vessels proceeding from Belize to the Gulf of Honduras, or the Southern rivers of British Yucatan.

Its position is one mile from the reef which forms the east side of the channel, one mile and one third N. $\frac{1}{2}$ E. (by compass) from the sand bar when in one with the Eastern part of Scipio bay, and $4\frac{1}{2}$ miles E. $\frac{1}{2}$ S. from False-point Placentia.

Vessels with a fair wind usually pass far to the westward of it, but when beating against a head wind care should be taken to avoid it, as it is not larger than a ship, and has 10 and 11 fathoms close around it.

EAST INDIA COMPANY.

A return has been printed by order of the House of Commons of the territorial revenues and disbursements of the East India Company for the years 1835, 1836, and 1837, with an estimate of both for 1838. The results, which are all the public care about, are of a very favorable kind. In the year 1835, which was that succeeding the abrogation of their charter as a trading company, and in which the greater part of their commercial assets was realized, there existed a surplus of income over expenditure of 8,000,000*l.*, after deducting a sum of 2,000,000*l.*, set apart for the formation of a guaranty fund for the proprietors of East India Stock. In 1836 the surplus was 2,000,000*l.*; in 1837, 2,470,000*l.*; and for 1838 the estimate of surplus is 1,300,000*l.* The public debt of the East India Company, at the several presidencies, on the 1st of April, 1837, is stated at 30,400,000*l.*; and the interest on it at 1,440,000*l.* The rate of interest paid for the various loans varies from 4 to 10 per cent., but the average is about 4*½* per cent.

A TABLE, containing the average number of Banks, the average Capital, the average ratio of Specie to the Circulation, and the average ratio to the Circulation and the Deposites.

	No. of Banks	Aver. capital.	Aver. ratio of specie to cir- culation.	Aver. ratio of specie to cir- culation and deposite.
10 years from 1803 to 1812...	3	\$3,780,000	\$1 to 0.81	\$1 to 3.21
10 years from 1813 to 1822...	63.5	7,614,555	1 to 0.69	1 to 2.52
10 years from 1823 to 1832...	154.5	11,621,805	1 to 4.14	1 to 7.16
6 years from 1833 to 1838...	29	18,603,350	1 to 3.33	1 to 7.98
36 years from 1803 to 1838 ..	118.9	9,502,325	1 to 1.75	1 to 4.36

In October, 1837, the ratio of the specie to the circulation in the Boston banks, was as \$1 to \$3.88, and in one year it was increased over 46 per cent., so that in October, 1838, it was as \$1 to \$2, which is only 14 per cent. less than the average ratio of \$1 to \$1.75, from 1803 to 1836, according to the official returns for 36 years. At the present time, the ratio is about \$1 to \$1.42, being an increase of 28 per cent. during the past year, and is nearly 19 per cent. greater than the average ratio for the 36 years. These banks are now in a better condition in this respect than they have been since June, 1821.

In October, 1837, the ratio of specie to the circulation and deposite was as \$1 to \$9.63; and in one year it was increased nearly 49 per cent., so that in October, 1838, it was as \$1 to \$4.96; which is more favorable than it has been since 1821, except in 1830, and is hardly 14 per cent. less than the average ratio of \$1 to \$4.36, from 1803 to 1838, according to the above returns.

**STATEMENT OF THE SITUATION OF THE BANKS IN NEW ORLEANS,
On the 31st of October, 1839.**

			Deposites.	Circulation.
1. Canal and Banking Co..	4,000,000	3,1	194,224 31	284,000 00
2. Carrollton R. R. & Bk'g..	3,000,000	1,1	75,361 78	278,205 00
3. Citizen's Bk of Louisiana	12,000,000	6,1	1,892,631 17	428,450 00
4. City Bank.....	2,000,000	2,1	631,164 34	526,770 00
5. Commercial Bank.....	3,000,000	3,1	254,193 61	239,620 00
6. Consolidated Association.	2,450,000	2,1	544,173 61	195,635 00
7. Exchange and Bk'g Co....	2,000,000	1,1	179,276 34	357,690 00
8. Gas Light and Bk'g Co ..	6,000,000	1,1	33,786 69	72,000 00
9. Improvement & Bk'g Co..	2,000,000	1,1	176,073 19	146,410 00
10. Bank of Louisiana.....	4,000,000	3,1	337,084 16	292,722 50
11. Louisiana State Bank....	2,000,000	1,1	722,872 35	291,210 00
12. Mechanic & Trader's Bk..	2,000,000	1,1	84,903 21	173,475 00
13. Merchant's Bank.....	1,000,000	1,1	223,136 96	150,530 00
14. Bank of Orleans.....	500,000	1,1	62,786 20	184,796 00
15. Union Bank of Louisiana.	7,000,000	7,000,000 00	442,076 71	638,470 00
16. Atchafalaya Bank.....	2,000,000	788,945 00	72,308 52	129,710 00
Total.....	54,950,000	41,736,768 17	5,415,231 17	4,345,533 50

Statement of the situation of the Banks in New Orleans— Continued.

	CAPITAL.		Discounts & loans on real estate, and bills & notes, including capital of branches.	Liabilities—other than those expressed, bills payable, bonds, &c. and dividends unp'd.	Assets, other than those expressed, bills receivable, municipality notes, &c.	Capital gained, and profits undivided.
	Local Bank Notes.	Specie.				
1	57,070 00	120,631 30	3, 63	211,188 25	12,176 28	566,416 91
2	6,965 00	25,893 53	1, 89	264,109 84	544,730 80	258,246 17
3	62,335 00	358,232 00	3, 94	1,470,019 75	929,371 38	698,665 36
4	70,890 00	264,000 81	2, 42	50,870 48	46,084 60	216,733 79
5	34,095 00	229,100 38	1, 52	333,745 22	85,500 10	446,188 63
6	25,745 00	203,874 81	1, 18	.....	268,949 07	521,963 52
7	129,555 00	14,065 74	92	117,928 76	101,656 01	78,857 26
8	4,905 00	25,055 73	2, 65	2,032,754 47	1,083,955 77	208,616 22
9	12,465 00	47,169 69	36	392,425 45	295,305 75	154,634 86
10	33,015 00	441,906 28	4,565,142 95	126,319 64	78,080 79	893,448 35
11	37,241 50	333,464 88	2,376,975 16	10,208 80	164,943 90	123,856 64
12	34,125 00	58,031 37	2,097,550 69	1,500 00	25,540 01	344,794 63
13	204,297 76	402,463 36	1,935,548 23	110,000 00	221,560 99	115,813 69
14	17,456 00	44,107 82	488,370 45	16,253 51	224,774 60	196,683 61
15	32,770 00	234,299 10	5,930,211 97	.....	492,340 85	2,235,130 98
16	29,772 45	37,120 65	729,454 15	170,192 76	258,690 04	78,728 25
	782,702 71	2,847,497 95	36,731,281 11	5,297,516 93	4,833,669 94	7,117,978 86

Issue of the City Banks.....\$4,345,533 50

Deduct notes held by the different Banks..... 782,702 71

Actual circulation.....\$3,562,830 79

MERCANTILE MISCELLANIES.

CURRENCY OF GREAT BRITAIN.

A TABLE of the Circulation of Great Britain at different periods, from 1810 to 1839, inclusive.

	In 1810.	In 1816.	In 1825.	In 1836.	In 1839.
Bank of England.....	£24,446,171	26,681,398	20,378,410	18,147,000	17,960,000
Private Bank circulation..	23,693,868	67,000,000	32,800,000	12,872,329	12,225,448
Exchequer Bills.....	23,260,000	15,096,000	14,147,211	28,970,000	28,456,000
Irish circulation.....	3,170,066	4,179,549	6,411,349	6,540,000	7,000,000
Scotch circulation.....	2,080,340	3,260,570	5,230,750	4,680,290	4,600,000
Total Paper circulation...	£76,620,447	116,197,817	78,987,720	72,315,629	70,141,488
Bullion in the Bank.....	3,181,350	7,562,780	3,634,390	4,545,000	2,896,000

The paper currency of the United Kingdom of Great Britain is made up of five different kinds:—1. Bank of England notes; 2. Joint-Stock Bank notes, and Private Bankers' bills; 3. Exchequer bills; 4. Irish Bank bills; 5. Scotch Bank bills.

VALUE OF THE POUND STERLING, OR BRITISH SOVEREIGN.

The Journal of Commerce publishes a communication, evidently written by a mathematician of high attainments, relative to the value of the pound sterling. The writer's remarks were elicited by the perusal of Condé Raguet's treatise on "currency and banking," recently published in Philadelphia. The writer thinks that if the book should be generally read by our merchants and bankers it would prove highly useful, although there are some positions of the author to which he cannot give his assent.

In this work Mr. Raguet explains, first, the laws which regulate a currency, composed entirely of the precious metals; secondly, the laws which regulate a mixed currency, composed of the precious metals and of paper convertible into coin on demand; and thirdly, the laws which regulate a currency composed entirely of inconvertible bank paper.

On page 34, Mr. Raguet gives \$1 87 7-120, as the true value of the British Sovereign under the Gold Bill of 23rd June, 1834. (The correct value under that bill is \$1 87 .137118067, and the true gold par of exchange with London.)

When he wrote this, Mr. Raguet appears not to have seen the third and last act of congress, touching our coinage, approved 18th January, 1837, supplementary to the act entitled "an act establishing a mint, and regulating the coins of the United States," though he incidentally alludes to it in a note on page 186, near the end of his book.

Under this act, the value of the sovereign (pound sterling) 22 carats fine, is \$1 86 .474743723303, or by extending the decimal, \$4,8665x, which is the real par of exchange with London, and quoted thus: 109,496x or very nearly 9½ per cent. premium on the computed par of \$4 44 4-9. But it is said to have been found by assay at the United States mint at Philadelphia, within the current year, that the sovereign is only 915½ thousandths (21 97x carats) fine, which is 1 1-6 thousandths short of the legal fineness—916 2-3 thousandths, or 22 carats. Consequently, the value of the sovereign is, in fact, only \$4 86.8914241101, or by extending the decimal, \$4 8603x, which is now the real *intrinsic* par of exchange with London, (provided the sovereigns are of full weight,) and is quoted thus: 109 35x, or 9 7-20 per cent. nominal premium, or the fixed par of \$4 44 4-9.

It should be noticed in this place, that the mode still adhered to by many, of quoting exchange between the United States and London, is both *obscure* and *absurd*, as the premium or discount is founded upon the *false* or nominal par of \$4 44 4-9, instead of the true par of \$4 86x. It would be much more simple and intelligible, to quote the course of exchange at so many dollars and cents per pound sterling or sovereign, taking \$4 86 as the true value of the sovereign, and fixed par of exchange with London.

It should also be observed, that in the calculation of our duties at the custom house prior to the 14th July, 1832, the value of the pound sterling was computed at \$4 44. From and after that date it was fixed by law at \$4 80, which still obtains in estimating the value of British goods, for the purpose of calculating the *ad valorem* duties.

The banks receive and pay out sovereigns at \$4 85—one cent less than their *intrinsic* value, (supposing them to be of full weight,) making a difference in 100,000 sovereigns of \$1,000, between the *real* and *computed* value. This must be owing to the officers of the British mint taking full advantage of the "remedy," and suffering the sovereign to be short of the standard in weight as well as fineness. Or, it may be owing to many of the sovereigns which reach this country, having lost part of the weight, and consequently value, through frequent use.

SUGAR IN FRANCE.

The *Journal de Rouen* contains the following letter from Havre, describing the effects produced in that town by the reduction of the sugar duty:—"The news of the reduction of the duty on sugar has been received with the greatest enthusiasm by all classes of our population. Not only were all the ships in harbor gaily dressed, and the houses adorned with tri-colored flags, but the laboring class, whose work was diminished by the smallness of the cargoes of ships from the colonies, paraded the streets in great numbers, preceded by a tri-colored flag, with a sugar cane surmounted by a nosegay, below which was beet-root covered with crape, with this inscription, 'Death to the beet-root.'"

IMMEDIATE RELIEF.

During the "panic" in the money market some few years ago, a meeting of merchants was held in the Exchange, to devise ways and means to extricate themselves from their pecuniary difficulties. The great hall was crowded, addresses were made, resolutions passed, committees appointed, and everything done that is usual and necessary. After all this, one of the company moved that the meeting stand adjourned until some future day, when up jumped a little jobber, in a great state of excitement, and requested the merchants to linger a moment, as he had something of the greatest importance to communicate. The jobber was known to be a very diffident person; and, as he had never ventured on the responsibilities of speaking on any former public occasion, all were anxious to hear what he had to say.—"Gentlemen," said he, with evident emotion, and in the most emphatic, feeling and eloquent manner, "what's the use of talking of some *future* day? We want relief, I tell you!—*immediate* relief!" and down he sat amidst a universal roar of laughter. *The next day he failed!*—MORRIS.





